

Cranfield University

Andrew Schuster

Exploring Projectification in the Public Sector:
The Case of the Next Stage Review Implementation
Programme in the Department of Health

School of Management

DBA Thesis

Supervisor: Dr. Jonathan Lupson

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Supervisor: Dr. Jonathan Lupson
Panel Member: Professor David Buchanan
Panel Chair: Professor Mark Jenkins

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Abstract

Objective: Public projects are used to delivery policy objectives. From a financial perspective, the Major Projects Authority (MPA) estimated a whole life investment of £488 billion for 199 major projects in 2014, only a small subset of the total number of public projects. Given the financial exposure, the impact of endemic public project failures could put the economic health of the nation at risk. This thesis studies the challenges facing public projects. It applies an organisational capabilities lens to investigate projectification, when organisations shift away from functional-based organising (FBO) toward project-based organising (PBO).

Research Design: This study adopts an interpretivist research paradigm, with a constructionist epistemology and an idealist ontology, and employs an abductive research strategy. Structurally, it follows the Cranfield Executive Doctorate in Business Administration (DBA) methodology, with a linking document that summarises three complementary research projects: a systematic literature review (SLR) followed by two empirical studies that investigate the Department of Health (DoH) during the early phases of the Next Stage Review Implementation Programme (NSRIP). The findings are derived from over 250 academic literature sources, 100 government publications and 41 semi-structured interviews.

Findings: Project-based organisations depend on a core competency of changing organisational forms. Project-based management (PBM), a particular type of organising developed during projectification, depends on seven capabilities related to managing complexity, investments, governance, specialisms, learning, value creation and organisational change. There are 17 routines and five actors involved in developing the set of seven PBM capabilities. Publicness matters when developing the PBM capabilities, with each capability suffering from distinctive routines that did not fully mature, even after an extended period of time, and five involved actors struggling to develop at least one routine.

Contributions to Theory: The study concludes that successful projectification in the public sector depends on a double loop capability construction process, i.e. on having PBM capabilities and capabilities to change organisational forms. With capabilities either inherited or constructed internal, a paradox is created. Projectification in the public sector depends on FBM, an organisational form unsuited to creating new capabilities, to create PBM capabilities. Further, the study demonstrates that publicness matters to projectification.

Contributions to Practice: The study informs public sector practices, providing insights for public sector reform policies related to organisational capability and professional skills development. The study informs programme and project management (PPM) practice, proposes two different frameworks to help assess the maturity of public organisation's PBM capabilities.

Key words: projectification, project-based, publicness, inheritance, public sector, civil service, capability, routines, actors, project management office, distinctive

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*Constant development is the law of life,
And a man who always tries
To maintain his dogma
In order to appear consistent
Drives himself into a false position*

Gandhi, 1928

(From Quotes of Gandhi, 1984

compiled by Shalu Bhalla

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List of Acronyms

Acronym	Term
ALB	Arm's Length Body
APM	Association of Project Management
BAU	Business as Usual
BRM	Benefits Realisation Management
CCTA	Central Computing And Telecommunications Agency
CfH	Connecting for Health
CoE	Centre of Excellence
COP	Community Of Practice
CoPS	Complex products and services
DoH	Department of Health
FBM	Functional-Based Management
FBO	Functional-Based Organising
FFBO	Fully Functional-Based Organising
FPBO	Fully Project-Based Organisation
HSC	Health Select Committee
ID/IP	Information Directorate/ Information Projects
IPPD	Improving Programme and Project Delivery
LPO	Leadership Programme Office
LPSB	Local Public Spending Body
MPA	Major Projects Authority
NAO	National Audit Office
NDPB	Non-Departmental Public Body
NHS	National Health Service
NLC	National Leadership Council
NPfIT	National Programme for IT
NPM	New Public Management
NSR	Next Stage Review
NSRIP	Next Stage Review Implementation Programme
OGC	Office Of Government Commerce
P3O	Portfolio, Programme and Project Office
PAC	Public Accounts Committee
PBM	Project-Based Management
PBO	Project-Based Organising
PortM	Portfolio Management
P3M3	Portfolio, Programme and Project Management Maturity Model
PMM	Project Maturity Model
PPM	Programme and Project Management
PMO	Programme Management Office
PRINCE2	PRojects IN a Controlled Environment 2
ProgM	Programme Management
ProjM	Project Management
PSG	Professional Skills For Government
QUANGO	Quasi-autonomous Government Organisation
SCS	Senior Civil Servant
SHA	Strategic Health Authority
SIC	Statement of Internal Control
SLR	Systematic Literature Review
SRO	Senior Responsible Owner
WD/LP Projects	Workforce Directorate / Leadership Projects
WPO	Workforce Programme Office

1 Linking Document

1.1 Introduction

1.1.1 Public Sector Projects and Project Failure

The public sector in the UK has a history of nation-building projects. The result of these endeavours abound and include legacies such as the intricate railway system that spurred the industrial revolution, the London Underground system that has grown with the population of London, the housing that were created to address the damage created during World II, the network of motorways developed during the 1960s and 1970s used to rapidly move goods and people between urban centres, institutional public buildings such as the British Library, the military and naval equipment that defends the nation and, in recent years, the sport and housing infrastructure of the 2012 London Olympics used first by nations of the world and later the country's own citizens. These projects and the thousands of similar undertakings are *public projects*, characterised by Kassel (2010:3) as, "*a temporary endeavour, undertaken, managed, or overseen by one or more publicly funded organisations to create a unique product of public value.*"

Public projects affect the nation on a grand scale and the responsibility to ensure that public projects succeed is very heavy. To illustrate, the MPA (2014) estimates the whole life cost of only the 199 largest public projects delivering - for example, service transformation, information technology, military equipment, infrastructure and construction - to be a massive £488 billion. Based on 2013 data, this amount equates to over 30% of the UK's annual gross domestic product (ONS, 2014). Considering that this set of 199 public projects represents only a small portion of all public projects and there are thousands of other projects underway at the same time, the investment in public projects demands reflective investigation.

It is commonly acknowledged that projects in general, not just in the public sector, frequently can fail. Shenhar and Dvir (2007), who studied more than 600 projects over 15 years in multiple countries and in multiple industries, observed that some 85% failed to meet time and budget goals. The Standish Group's longitudinal study of public and private software projects reveals that less than 35% of projects are *successful* (Eveleens and Verhoef, 2010), with the remainder classified as either *challenged* (completed but over budget or time estimates) or *failed* (cancelled at some point). A survey conducted by Oxford University and Computer Weekly revealed that about one in ten IT projects was abandoned, while 75% were challenged and around 15% succeeded, with similar results for both private and public sectors (Parliamentary Office of Science and Technology, 2003).

There are many other examples of public projects, small and large, that have not delivered successfully. For example, the Public Accounts Committee (PAC) has investigated a range of projects. The British Library Construction Project suffered from major cost and time overruns (PAC, 1996). The Guy's Hospital Phase III Development project costs spiralled to £115 million from the original £35.5 million

estimate (PAC, 1999). The partial delivery of the Bowman Communications System Project (PAC, 2007b) meant the anticipated benefits were never realised. The National Programme for IT (PAC, 2007a; 2013) struggled to deliver and was eventually dismantled after spending £3.4 billion more than originally budgeted.

Public project reviews have identified the effects of public project failures. For example, when the PAC (2000:clause 2) investigated 25 troubled IT projects, it summarised the effects of failure as *“delay, confusion and inconvenience to the citizen and, in many cases, poor value for money to the taxpayer.”* Worried, the PAC had concerns the underlying problems were endemic, expressing concerns that *“even after recommendations appear to have been enacted, the reliable and consistent success of public projects is elusive.”* The actions that should be taken to prevent future failings remained uncertain.

1.1.2 The Public Sector's Response to Project Failure

In the late 1990s, the increased interest in public project failures led to a direct response by government. The Cabinet Office focused on the policy-making context of project failures, firm in its conviction that reforms to policy-making were required if failures were to be avoided (Cabinet Office, 1999a:17; 1999b:4). It stressed that organisational practices must improve and highlighted the need to apply the disciplines of programme and project management (PPM) to the policy process. This attention led to the creation of the Office of Government Commerce (OGC) in 2000, which took a lead on improving public projects.

The National Audit Office (NAO) (2001b:12), responsible for scrutinising public spending on behalf of Parliament, identified examples of good organisational practice stating that: *“implementing a policy requires reliable project management ... setting key targets and milestones for achieving critical stages in implementing policies, having reliable monitoring information to assess progress and indicators to alert managers to under-performance requiring remedial action.”* When elaborating on exemplars of good policy-making practices, the NAO (2001b:52) observed the need to *“learn from others who had the expertise they needed, they used staff with private sector ... background.”* This exemplified a wider belief that the private sector had answers to improving public project delivery.

A series of complementary initiatives to improve policy delivery capabilities ensued, most driven by the Improving Programme and Project Delivery (IPPD) Report (OPSR, 2003), including:

- Creation of the role of *“Risk Improvement Managers”* (Cabinet Office, 2002),
- Updated risk management guidance (OGC, 2002),
- Creation of Centres of Excellence (CoEs) in PPM in 2004,
- Publication of the *Common Causes of Project Failure* (OGC, 2004a),
- Expansion of the OGC Gateway Review™ in 2005,
- Development of a project management specialism (PAC, 2005b), and
- Increased level of project management training, quadrupling from 17,000 to more than 72,000 per year from 2001 to 2007 (APMG-International).

Another key recommendation of the IPPD Report was the improvement of the *best management practice* guidance used by civil servants. During the implementation of the recommendations, pre-existing guidance for programme management (MSP™), project management (PRINCE2®) and management of risk (MoR®) was updated (OGC, 2007a; 2007b; 2009a; 2009b). Additional guidance was added, including *Management of Portfolios* (MoP®) (OGC, 2004b; 2008a), *Portfolio, Programme and Project Offices* (P3O®) (OGC, 2008c) and *Portfolio, Programme and Project Management Maturity Model* (P3M3™) (OGC, 2006; 2008b). Also, a common glossary of terms to help align the entire suite of guidance was developed.

During this time, the PAC (2005a) took stock of improvements in policy delivery by conducting a comprehensive examination of the way in which public money was being used to deliver government services across Central Civil Government. The examination considered over 400 of its own reports over ten years, the verbal and written evidence of hundreds of senior officials, and witnesses from the private as well as the public sector. The examination identified key challenges and highlighted areas of improvement in the delivery and efficiency of public services. Project management was explicitly highlighted as one of the concerns. The PAC (2005a:6) commented, *"We are concerned that some of the projects and programmes we examined have not always been well thought through or planned as well as they could be, taking account of lessons learned elsewhere."*

In 2005, Gus O'Donnell, the Head of the Civil Service, tried a broader approach, announcing a rolling programme of *Departmental Capability Reviews* designed to assess how well departments were equipped to successfully meet policy-making challenges and provide targeted support for making the required improvements. A model of departmental capability was developed (Cabinet Office, 2009), identifying ten themes grouped according to leadership, strategy and delivery. Project management was not specifically identified as one of the ten themes, but captured broadly under the concept of delivery. Using the model, reviews of departmental capability were conducted by teams of external experts. Findings from the first tranche of four departments were reported in July 2006. Subsequent tranches were reported in December 2006, March 2007, June 2007, December 2007 and April 2008. According to the findings, each department faced a range of challenges with their capability.

To understand the results, the National School of Government (NSG)(2007) commissioned a cadre of academics to review the capability programme and identify insights. The reviewers concluded that a good start had been made with this innovative approach to public sector reform. However, the reviewers' report to the NSG (2007:1) highlighted: *"What the model omits is significant. As well as providing limited analysis of delivery capability."* The assessment model did not list project management as one of the 10 themes to assess. Regardless, almost without exception, the capability assessment reports identify challenges and issues with delivery relating to PPM. Drawing it to the fore. For example, the Ministry of Justice's assessment stated, *"There are significant challenges for the Ministry in filling skills gaps, including in HR, project and programme management and change*

management" (Cabinet Office, 2008:6). The DoHs baseline assessment stated, *"Although there are some examples of successful evaluation of projects, there is little evidence that the Department has a systematic process for learning from past experiences"* (Cabinet Office, 2007:21).

In spite of the capability review's omission, a relationship between project management and organisational capability was recognised at senior levels. During a PAC hearing that was considering the Capability Review Programme, Sir Gus O'Donnell stated that, *"there is a very strong positive correlation between high capability review scores and high scores on the major projects' findings from OGC"* (PAC, 2009a:Q8 response). He added that further analysis was required to understand this important phenomenon. Although he established a link between department capability and successful project delivery, further study of departmental capabilities and successful project delivery appears to have only been haphazard.

There are potentially many reasons for a disregard of project management capability in the public sector. One is that central government departments are rightfully focused on ensuring they have strong public administration capabilities, which is at the core of their existence. As a result, the public sector operates with the narrow discretion required for good public administration, e.g., preventing corruption and collecting taxes (Hood, 1991). As project delivery failures occur in central government, there is likely to be a tendency to view failure through a public administration lens. As with preventing corruption, the response is to focus on preventing wrong doings. Hence, as described above there is a focus on improving the available PPM tools and methods (e.g., the development and use of MSP, PRINCE2 and MoR) and better application of the rules they embody.

Whether for this or other reasons, there appears to be minimal regard for understanding for developing the capabilities required by public organisations to delivery programmes and projects. Hence, this study proposes a broader exploration of the delivery of public project, focusing on the development of organisational capabilities in the public sector.

1.2 Structuring the Research

This research follows the Cranfield Executive DBA methodology, by using three individual research projects that are integrated using a linking document. The first major section of this thesis, in which this section is contained, is the linking document. It summarises the research conducted using the three studies: a literature review followed by two empirical studies.

1.2.1 The Cranfield Executive DBA

The structure of the Cranfield Executive DBA is distinctive in that it is modular. Unlike an approach used for most PhD theses, the modular structure includes a set of individual research projects; each project is written up and presented to an

academic panel at intervals for consideration. After a project is approved, it is contained and the next begins.

By its nature, the Cranfield Executive DBA methodology presents advantages. From a student perspective, the structure accommodates doctoral candidates that are executives to progress advanced research while working full-time. From a research development perspective, it allows research questions to emerge progressively. In this thesis, the research questions for project 3 were defined after project 2 was completed and similarly for project 2 after project 1 was completed.

The nature of the DBA methodology also has some disadvantages. It is prone to introducing repetition in the final thesis. Each project write-up includes background, the definition of the research question, overview of the literature, and methodology. In combining the individual projects into a single thesis, some information becomes redundant and potentially misaligned due to the time lag between projects and evolution in thinking. To address this repetition, there has been an attempt to move common materials from individual projects into the linking introductory sections that follow. However, some repetition unavoidable remains.

Overall, this thesis proposes a study of the capabilities required to successful deliver public sector projects. The research questions for the first research project are developed in the next section.

1.2.2 Project 1 – Projectification in the Public Sector

Organisational forms were particularly studied in the 1970s and 1980s (Galbraith, 1971; 1973; Mintzberg, 1979; 1983a; 1983b) and the project as an organisational form gained interest the late 1980s in response to concerns that traditional project management “took only a middle-management, tools and techniques view of the subject,” (Morris, 1997:217). This led to a broader conception of projects as a wider organisational phenomenon using the terms *management of project* (Gareis, 1989; Morris, 1997) and *temporary organisation* (Lundin and Söderholm, 1995).

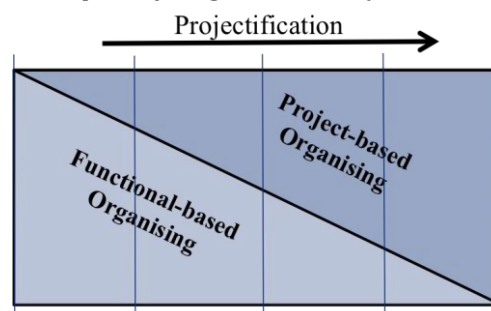


Figure 1: Projectification

There have been few attempts to fully integrate the existing knowledge about the temporary form of organising (Winch, 2014). However, there are several concepts that are well established and can be used as foundation for this study. The project-based form of organising is commonly compared to another archetypical mode of

organising, the function-based form. These two forms of organising co-exist in a given organisation in varying proportions, creating what could be described as a continuum of organisational forms (see Figure 1) (Gareis, 1991; Hobday, 2000; Lindberg and Berger, 1997).

According to this conception, it follows that the organisational form used in an organisation might change over time as well (Midler, 1995; Mintzberg, 1979; 1983b). In project management theory, the shift away from FBO towards PBO as the primary mode of organising has been termed *projectification* (Bredin and Söderlund, 2006; Bergman et al., 2013; Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014).

It is argued that organisational forms are “*an important management tool for aligning organisation and environment*” (Dijksterhuis et al., 1999:569). Based on this premise, projectification in the public sector is, in effect, alignment with a changing environment. However, there is a paucity of established theory that specifically considers this phenomenon and the details of how this happens are not well understood.

To address this gap, the study explores knowledge available in three fields of management – public, organisational and project. As these fields of knowledge are largely heterogeneous, three research questions (RQ1, RQ2 and RQ3) are proposed to integrate the literature in these fields, as illustrated by the Venn diagram in Figure 2. Broadly, these three questions consider general and distinctive aspects of the management of projects, public organising, and public project practices respectively.

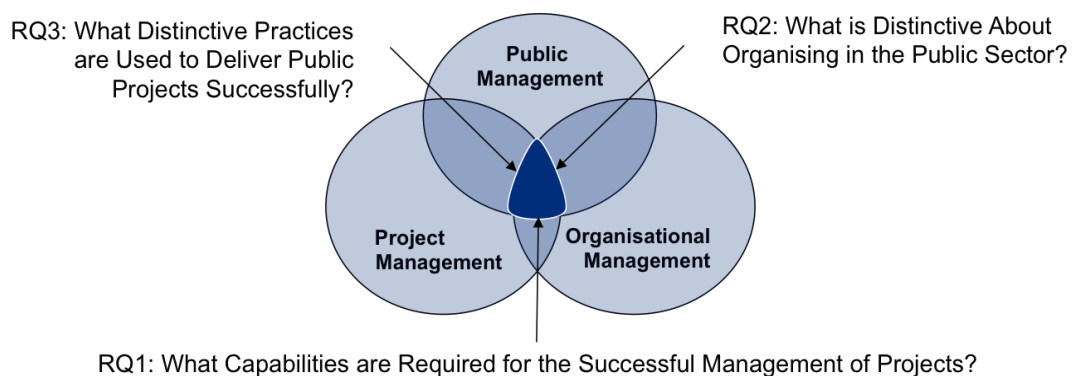


Figure 2: Fields of Knowledge and Project 1 Research Questions

RQ1 explores the fields project and organisational management with the question, “what capabilities are required for the successful management of projects?” RQ2 explores the fields of public and organisational management with the question, “what is distinctive about organising in the public sector?” Finally, RQ3 explores the fields of public and project management with the questions, “what distinctive organisational practices are used to deliver public projects successfully?” For RQ2 and RQ3, the connotation of the term *distinctive* is meant to be *that which distinguishes*, in the sense that it reflects the nature of the public sector, rather than

that which is unique, in the sense that it will not be found in other sectors. The findings of Project 1 lead to the research questions for Project 2.

1.2.3 Project 2 – Enablers and Challenges of PBM capability

As identified above, the extent to which an organisation is project-based varies along a continuum. For the purposes of this project, PBM exists when FBO and PBO co-exist, but PBO is favoured over FBO. Project 2 studies the capabilities of PBM. The study is conducted in the Civil Service as a typical example of working the public sector.

From an organisational theory perspective, there is a hierarchy for creating capabilities (Dosi et al., 2000; Prahalad and Hamel, 1990; Winter, 2003), whereby organisational practices grouped together build capabilities. For Project 2, there is an underlying proposition that the capabilities will vary according to the extent that PBO is being used. To consider the extent, the concept of PBO is studied using terms such as *project management*, *programme management* and, to a lesser degree, *portfolio management*. The extent that programme management and project management is together using RQ4 as, based on preliminary testing of questions, these concepts are not differentiated in practice in the public sector. Practitioners do differentiate the concept of portfolio management from programme and project management and, hence, the extent of its use is investigated separately using RQ5. RQ6 considers the reasons that PBO is adopted by a public organisation as a way of investigating the contextual conditions that affect the extent that PBO is adopted.

The second underlying proposition for Project 2 is that there are capabilities required for PBM and these capabilities depend on a set of organisational practices. The terms *enablers* (i.e. enabling organisational practices of PBM) and *challenges* (i.e. challenged organisational practices of PBM) are both used to identify organisational practices. According to preliminary testing of questions, practitioners use these terms to reflect their perception of whether an organisational practice is *working well* or *not working well*. In either scenario, the existing of an organisational practice is identified. The final two questions (RQ7, RQ8) are used to draw out the enablers (effective organisational practices) and challenges (problematic organisational practices) that are relevant to developing PBM capabilities, highlighting distinctive public sector organisational practices.

RQ4. To what extent are programmes and projects used during projectification in the Civil Service?
RQ5. To what extent are portfolios used during projectification in the Civil Service?
RQ6. Why do public organisations use single-project, programme and portfolio management?
RQ7. What are the enablers of PBM in the Civil Service? Which are distinctive to the Civil Service?
RQ8. What are the challenges of PBM in the Civil Service? Which are distinctive to the Civil Service?

The findings of Project 2 lead to the research questions for Project 3.

1.2.4 Project 3 – Developing PBM Routines in the Public Sector

Project 2 provides insights into the underlying organisational practice that enables the development of PBM capability in the public sector and challenges that exist in practice. However, organisational practices are static and capability creation is fluid (Pettigrew, 1997). Hence, project 3 studies the development of PBM routines over time. The study is conducted in the Civil Service as a typical example of working the public sector.

The theory of organisational routines has emerged as a basic component of organizational behaviour (Ambrosini and Bowman, 2009; Becker, 2004; Feldman, 2000; Feldman and Pentland, 2003; Nelson and Winter, 1982; Pentland and Feldman, 2005; 2008; Pentland et al., 2012) that is linked to organisational learning, capabilities and change (Brady and Davies, 2004; Bresnen et al., 2003; 2005; Keegan and Turner, 2001; 2002; Prencipe and Tell, 2001). Nelson and Winter (1982:14) define routines as “*regular and predictable behavioural patterns of firms.*” From an organisational theory perspective, there is a hierarchy for creating capabilities (Dosi et al., 2000; Prahalad and Hamel, 1990; Winter, 2003), whereby organisational practices are grouped together into routines that are grouped to build capabilities.

The underlying proposition for Project 3 is that organisations fail to manage projects because necessary routines cannot form the required PBM capabilities and there are distinctive routines in the public sector that fail to be created, i.e. where organisational practices are not working well. Distinctively challenged routines that support the development of PBM capability in public sector are explored using RQ9.

Pettigrew et al. (2001) promote a processual view of change where actors are both products and producers and the dual quality of agents and contexts are recognised. Acknowledging that PBO needs to be “*designed by and around people*” (Lundin and Söderholm, 1995:441), Project 3 also considers the relationship between the involved players and the development of distinctive routines. This leads to a research question exploring the involvement of key players (RQ10).

RQ9. What distinctive routines are developed when creating PBM capability in the Civil Service?
RQ10. Who are the key players involved in the development of PBM capability in the Civil Service? How are they involved?

The findings of Project 3 lead to final conclusions captured in the linking document.

1.2.5 Linking the Research Questions

The ten research questions from the three projects of this thesis inform three linking questions that respectively relate to projectification contextual conditions,

projectification capabilities and PBM practices in the public sector. Figure 3 summarises the relationship between the individual questions and the three overarching questions using three colour codes.

The contextual conditions that influence projectification in the public sector are informed by RQ2, RQ4 and RQ5. The projectification and PBM capabilities that are required are informed by RQ1 and RQ6. The organisational practices that enable a PBM capability to be developed in the public sector are informed by RQ3, RQ7, RQ8, RQ9 and RQ10. The three overall linking questions are discussed in more detail as part of the findings and conclusions of this linking document.

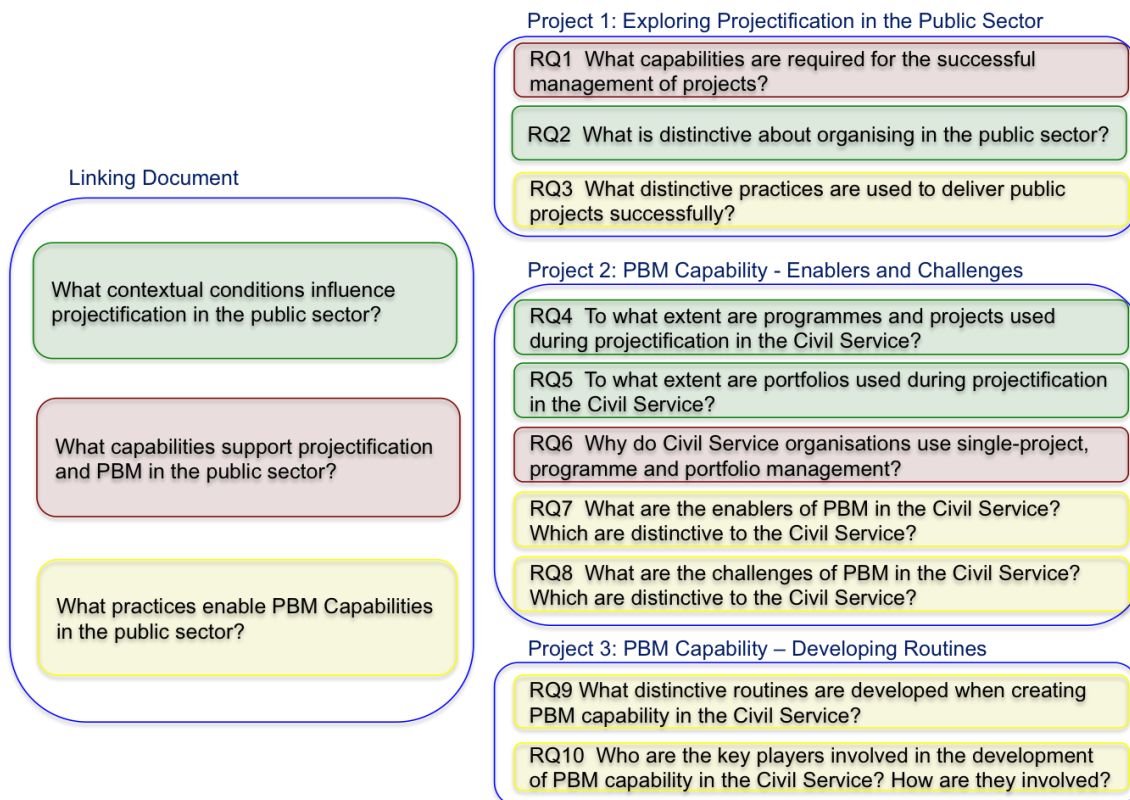


Figure 3: Relationships among the Research Questions

1.3 Summary of the Research Process

The research process summarised in this linking document and described in detail for each of the three research studies (i.e. Project 1, Project 2 and Project 3) is developed using the logic of social research design proposed by Blaikie (2000), illustrated in Figure 4.



Figure 4: Core Elements of Social Research Design

For this linking document, the top two core elements of the research design, the topic/problem and the research objectives and questions, were described in the preceding sections. The follow sections summarise the remaining core elements.

1.3.1 Research Strategy

Establishing a research paradigm aids in defining a research strategy and, in effect, helps to clarify what approach will and will not serve the research (Easterby-Smith et al., 2002:27). Adopting a paradigm is not arbitrary, as the *“phenomenon being researched dictates, to some extent, the terms of its own dissection and exploration”* (Leonard-Barton, 1990:249). This phenomenon dictates an interpretivist research paradigm rather than other classical and contemporary research paradigms. The phenomenon being study consider actors involvement in projectification (i.e., the successful development and application of project-based practices), temporality (i.e., changing organisational form over time) and the context in which the actors act (e.g., the public sector).

Interpretivism, as with all research paradigms, makes particular assumptions about *“the nature of the social reality that is under investigation (ontology) and the way in which knowledge of this reality can be obtained (epistemology)”* (Blaikie, 2007:12-13), e.g., its independence of context and actor’s perceptions and whether reality can be observed directly or indirectly (Easterby-Smith et al., 2002:28). According to interpretivism, the study of a social phenomenon *“requires an understanding of the social world that people have constructed and which they reproduced through their continuing activities”* (Blaikie, 2007:124) and it is useful when *“sociality is produced as intersubjectivity by subjects who mutually interpret one another”* (Flick et al., 2004:218). Interpretivism can be contrasted with other

classical research philosophies such as positivism, critical rationalism and classical hermeneutics (Blaikie, 2007:124-132). Interpretivism:

- eschews the positivist paradigm's tenet that the researcher must observe from the outside. Instead, it works from the inside, acknowledging that people are involved in interpreting and reinterpreting their world over time.
- considers the perceptions of actors, unlike critical rationalism, which seeks to explain an objective 'reality' using hypothesis and then using trial and error to falsify erroneous hypothesis.
- is not focused on the interpretation of classical texts and intra-cultural interpretations as is classical hermeneutic.

Contemporary research philosophies – such as Habermas's (1978) critical theory, Bhaskar's (1979) social realism, Giddens's (1984) structuration and feminism – build on classical paradigms and present more complex approaches. However, each of these has characteristics that are not additionally advantageous to this study. For examples, critical theory ignores the historical and cultural context (Blaikie, 2007:191), social realism downplays the interpretation of social actors while arguing that society and individuals are simultaneously dependent and independent (Blaikie, 2007:193-94), feminism requires a complementary theory about masculinity which would not be central to this study, and structuration places the practices that create social structures and their relationship to society at the centre of the research (Cohen, 1989; 2000:95-96). Although these complexities may be helpful for other studies, they detract from interpretivism, rather than improve upon it, as a paradigm for an exploration of projectification in the public sector.

An interpretivist research paradigm is advantageous for studying projectification in the public sector. With interpretivism, values are acknowledged and used for theory formulation. The public sector is under the influence of a "*public sector ethos*" (Boyne, 2002:112-13), or a set of public values, which need to be considered. The paradigm is advantageous for another reason. During projectification, there is "*no unitary centre of control*" (Clegg et al., 2002:319) in which sense making is shared. Instead, individuals come together from disparate spaces, i.e. different organisations or parts of the same organisation. The involved actors develop and apply, based on their knowledge and experiences from elsewhere, project-based practices in a public sector context. In effect, the involved actors are sense-making as they collectively develop and apply project-based practices. Guba and Lincoln (1994:114) use the concept of values as one dimension for comparing research paradigms.

Interpretivism does suffer its own criticisms. It assumes that social actors are reflective and understand their conduct and actions, which may be optimistic (Giddens, 1984:282). Also, it fails to acknowledge institutional structures that exist or are believed to exist by actors (Rex, 1974:50), including divisions of interest and relations to power. Further, Bhaskar (1979:133) argues that there is more to reality than that which is expressed in the language of the involved social actors.

These limitations do not necessarily undermine the foundation of interpretivism or its value; instead, they highlight areas of potential interest that cannot be addressed by interpretivism (Fay, 1975). As a result, these limitations are recognised as an inherent aspect of this study.

There are two important implications to Blaikie's interpretivist paradigm. First, interpretivism argues that the preferences of actors are to be discerned by empirical inquiry and not deduced by assumption. For this research, there is an assumption that the actions of actors and their practices need to be examined in detail. Second, interpretivism argues that actors' beliefs and values can exist independent of the physical world. This means, that the examination of practices alone may be insufficient. Hence, a wider conception of PBO is required. To achieve this, a specific ontology (i.e., understanding of what is knowledge) and epistemology (i.e., understanding of how knowledge is obtained) for interpretivism needs to be identified and developed into a research strategy.

According to Blaikie, the interpretivism paradigm lends itself to an *idealist* ontology, whereby "*social reality consists of the shared interpretations that social actors produce and reproduce as they go about their daily lives*" (Blaikie, 2007:17). An idealist ontology can be traced back to the *becoming* (reality as fluxing, changing and emergent) ontology proposed by Heracliean in ancient Greece. This stands in contrasts to the realist ontology that can be traced back to the *being* (reality as permanent and unchangeable) ontology proposed by Permenidean (Chia, 2002; Partington, 2002:14). Generally, western (i.e. Newtonian) thought has tended to adhere to the being ontology. Contemporary researchers argue that, with the fluidity and ambiguity of the management of projects, a being ontology is insufficient and that a becoming ontology is more appropriate (Linehan and Kavanagh, 2006; Packendorff, 1995). Packendorff (1995:324), for instance, observes that, "*the general assumption underlying the PMBoK (Project Management Body of Knowledge) and subsequent ambitions to create a project management profession, is that project management knowledge is applicable to all sorts of projects in all sorts of industries and environments.*"

According to Blaikie, the interpretivism paradigm lends itself a *constructionism* epistemology, whereby "*actors conceptualise and interpret their own actions and experiences, the actions of others and social situations*" (Blaikie, 2007:22-23). A social constructionism epistemology (Berger and Luckmann, 1991; Blaikie, 2007; Burr, 2015; Easterby-Smith et al., 2002; Shotter, 1997) has intellectual origins in the pioneering work of Weber on the role of ideas in social change. It differentiates between *action* that is taken by individuals and *social action* that is given meaning and involves other people, what Berger and Luckmann (1991:30,40) characterise as the "*sets of social beliefs or mental models people use to interpret actions and events in the spatial and temporal world of everyday life.*" Cicmil et al. (2006) advocate this *knowledge-in-action* epistemology for context-dependent (e.g. public sector) judgement. Social constructionism has made it its way into project management research in response to the criticisms facing the positivist paradigm that once dominated the field (Cicmil and Hodgson, 2006; Cicmil et al., 2006;

Jackson and Klobas, 2008; Lindgren and Packendorff, 2009). For example, social constructionism has been used to study projectification (Packendorff and Lindgren, 2014; Pellegrinelli, 2011) and related topics such as the development of project management capabilities (Brady and Davies, 2004; Crawford, 2006). With social constructionism, the development of project management knowledge is seen as a *“process of continual sense-making, in which people build, communicate, verify and commit to mutually agreed views of the world”* (Jackson and Klobas, 2008:329) rather than a process of discovery of facts.

On the basis of the combination of constructionism epistemology, idealist ontology and interpretivist paradigm, it is possible to consider the choice of research strategy. Blaikie (2000:101) summarises the logic of four potential research strategies - inductive, deductive, retroductive and abductive. Respectively, these differ in where they begin and how they proceed to solve research problems. An inductive research strategy involves collecting data and generalising from them. A deductive research strategy starts with a suitable theory and uses some hypothesis to test it. A retroductive research strategy searches for underlying causal mechanisms. The abductive research strategy begins by exploring social actors' meanings and interpretations to generate description and understanding.

An abductive research strategy is the logic of interpretivism. An abductive research strategy is used *“to generate social scientific accounts from social actor's accounts; for deriving technical concepts and theories from lay concepts and interpretations of social life”* (Blaikie, 2000:114). The strategy inherently uses abstract logic to derive second-order theoretical concepts. Conceptually, the abductive strategy has several layers: observing facts objectively, analysing the facts using comparison and classification without hypothesis, inductively drawing generalisations as the relations between the facts and conducting further cognitive tests as necessary. With social constructionism, researchers attempt *“as far as possible not to draw a distinction between the collection of data and its analysis and interpretation”* (Easterby-Smith et al., 2002:117). Instead they blend these techniques and applying them iteratively.

Each research strategy has limitations. The abductive strategy draws inherent criticism regarding its ability to produce objective observations and to generalise using a finite number of observations in the absence of a conceptual framework to guide this process. Of further concern, second-order concepts can become unrecognisable to the involved actors. The later concern might be mitigated if concepts are cognitively tested to ensure they have not become too abstract.

1.3.2 Concepts, Theories, Models and Forms

A core set of concepts, theories, models and forms were used to develop this thesis. Although these have already been introduced, they are identified in this section in order to highlight them.

Prior to conducting the first project (the literature review), a scoping study was conducted, exploring the preliminary research question, “*what determines project success in the public sector?*” By iteratively searching for articles and then following the references both forward and backward in time (i.e. snowballing or chaining), potentially relevant literature was identified. A preliminary set of concepts, theories, models and forms emerged - including *New Public Management* (NPM), *capability*, *management of projects*, and *project-based management* (PBM) - were identified in the fields of public, organisational and project management. The concept of distinctiveness emerged during the scoping study, with the connotation of the term *distinctive* meant to be *that which distinguishes*, in the sense that it reflects the nature of the public sector, rather than *that which is unique*, in the sense that it will not be found in other sectors.

The preliminary ideas were used by the literature review to identify foundational concepts, theories, models, and forms that inform this thesis. These include *publicness* (that which is distinctive about public organisations), *routines* (a collection of mature organisational practices that are combined to developing capability), types of organisational forms (in particular FPBO and FFBO) and *projectification* (the transformation from FBO toward PBO). These and other concepts are explored fully in part of Project 1 (see Section 2).

Project 2 and Project 3 build upon these concepts and develop them empirically. These projects make heavy use of the concepts of *organisational practices*, which mature over time to become routines, *enablers* (i.e., enabling organisational practices) and *challenges* (i.e., challenged organisational practices).

1.3.3 Data Source Types and Forms

Data source types and forms were identified to complement the research paradigm and methodology. In summary, the data sources for this study include a set of three research publication databases, and interview and archival data collected using two embedded case studies. The first embedded case study (i.e. Project 2) was conducted contemporaneous with the NSRIP and the second embedded case study (i.e. Project 3) was conducted retrospectively. These choices are explained below along with some of the limitations associated with these choices.

The exploration of projectification in the public sector relies upon the diverse and varied literature found in the fields of public, project and organisational management, a situation that favours integration of literature using a structured process (Denyer and Tranfield, 2006). As a result, an SLR approach as proposed by Tranfield et al. (2003), and Petticrew and Roberts (2006) was chosen as the research methodology for project 1. Research publication databases that contain the predominant public, project and organisational management literature were identified as relevant data source types. These research databases included ABI Inform and Complete e-Journals (ABI Inform, 2014), EBSCO e-journal (EBSCO Host, 2014) and Emerald e-journal (Emerald Insight, 2014). The list of databases originally contained the Science Direct and Web of Knowledge, but these were

subsequently omitted as they added little further to what was already contained in the other research databases.

Projectification is an example where there are “*complex interaction between phenomenon and its temporal context*” (Yin, 2003:4). According to Yin (2009:18), the case study is an “*empirical inquiry that investigates a contemporary phenomenon in depth and within its real-life context, especially when the boundaries between the phenomenon and the context are not clearly evident.*” In contrast, Yin (2009:8) indicates that survey, experiment and historical methods would not be suitable as surveys are suited to studies that quantify how much and how many, experiment requires control of behavioural events, and historical study focuses on non-contemporary events. According to Yin, archival analysis is not excluded as an option for this study. Eisenhardt (1989:548) supports the use of case study to explore projectification in the public sector, as it is “*particularly well-suited to new research areas or research areas for which existing theory seems inadequate,*” a situation illustrated in the introduction to this study. Hence, a case study approach supported by archival analysis was chosen as the research methodology to conduct the empirical research in Project 2 and Project 3.

Easterby-Smith et al. (2008) describe the case study as a broad-based method that can be informed by different ontologies and used in quite different ways (Table 1 contrasts case study methods for different ontologies). According to Stake (1995; 2006), for the constructionist ontology, the case study design can be emergent and rely on a small sample size. Theory considers action (or practices) and analysis can be conducted within the case.

Table 1: Key Features of Case Method Informed by Different Ontologies

	Realist (Yin, 2009)	Relativist (Eisenhardt, 1989)	Constructionist (Stake, 1995; 2006)
Design	Prior	Flexible	Emergent
Sample	Up to 30	4-10	1 or more
Analysis	Across	Both	Within case
Theory	Testing	Generation	Action

In this research, both the project and its parent organisation are important units of analysis. The nested nature of PBM (FBO and PBO co-existing within a parent organisation) affects the case study design. Yin (2009:50) terms a nested research design as an *embedded* case study design, which he contrasts with a *holistic* design noting its advantages “*when no logical subunits can be identified or when the relative theory underlying the case study is itself of a holistic nature.*”

The temporality of projectification is particularly relevant to the third project in this study, during which the development of PBM routines is explored over time. A longitudinal case considers the same case at two or more different points in time with the theory of interest specifying how certain conditions change. A fast-paced phenomenon would demand short-duration and frequent observations. However, with projectification, the organisational changes occur over an extended period of time, taking years. The extended period of time introduces a particular concern

with observations. Leonard-Barton (1990) used the *retrospective case study* as an approach to resolve limitations with the daily observations of an extended longitudinal study. She describes the retrospective study as the collection of data after events have occurred and as useful for “*identifying patterns indicative of dynamic processes*” (Leonard-Barton, 1990:248).

According to Leonard-Barton (1990), the most significant limitation of wholly retrospective research is the difficulty of determining cause and effect from reconstructed events. Moreover, she notes that, although studies have shown that the participants in organisational processes do not forget key events in these processes as readily as one might suppose, the participant-informant in a wholly retrospective study may not have recognised an event as important when it occurred and thus may not recall it afterwards. To help mitigate this limitation of a retrospective study, the third study adopts several approaches. First, the concepts, theories and models from the preceding two research projects are exploited when appropriate. Project 3 is grounded in the case study of project 2, which was not explored retrospectively, but *in situ*; further, it uses archival (secondary) sources to corroborate findings.

1.3.4 Selection from Data Sources

The selection from data sources complements the research paradigm and methodology. The first stage of Project 1 consisted of iteratively designing, consistent with the induction research strategy, a set of Boolean search strings that support the exploration of projectification in the public sector, consistent with Figure 2. The search led to a long list of 825 articles being selected from the data sources. Inclusion and exclusion criteria were then applied to the 825 articles to focus the set of articles and several articles identified during the scoping study that were not identified by the search strings were added. A reduced list of 387 articles resulted. The list of 387 articles that resulted was downloaded and then quality assessed using three main criteria: journal quality, contributions (i.e. average annual level of citations) and research method (i.e. level of referencing and length). Details of the quality analysis of Project 1 articles can be found in the research design section of Project 1 (section 2.3.5). A shortlist of 226 articles remained afterward.

The case study selected for the second and third studies was narrowed to the NSRIP in the DoH, after consider other major programmes in the DoH and other Civil Service Departments. A full explanation of the selection of the data source is provided in the research design sections of Project 2 (section 3.3) and Project 3 (section 4.3). The NSRIP led the DoH to aggressively undergo projectification. As such, it served as a typical case in the public sector.

1.3.5 Data Collection and Timing

Project 1 data were collected from the period 1983 through to 2014. There is high concentration of quality articles published in 2005 and 2006, resulting from the

outputs of a number of leading project management and public sector researchers. The project management research, funded by the Engineering and Physical Sciences Research Council (EPSRC) *Rethinking Project Management* initiative, spurred a shift in thinking about the management of projects and projectification. The public management research was fuelled by an interest in New Public Management ideologies and rethinking public organisational forms. Eight of the leading journals in project, organisational and public management contain approximately 50% of the total articles: International Journal of Project Management, Public Administration Review, Journal of Public Administration Research and Theory, Public Management Review, Research Policy, Public Administration, Administration and Society, and Organizational Studies. See section 2.3.6 for details.

Project 2 data were collected contemporaneously with the NSRIP using 20 semi-structured interviews and archival sources. The list of interviewees included individuals who were working directly or indirectly on the delivery of the NSRIP. The sources were grouped and categorised into five types: Central Resources, Executives, Business Lead, PPM Manager and Policy Lead. Interviewees identified the archival sources during the interviews or subsequently.

Project 3 data were collected retrospectively after the end of the NSRIP using 21 semi-structured interviews with individuals in five key PBM roles (as with Project 2) and archival sources. The individuals selected for Project 3 were different from those for Project 2. The archival sources were found by searching public available government documents, primarily from PAC, NAO, OGC, Cabinet Office and DoH sources, or were identified by interviewees during the interview process.

For both Project 2 and Project 3, semi-structured interviews were 40 to 45 minutes in length and primarily conducted in person, although a small number had to be conducted over the telephone for logistical reasons. Interviewees were provided with an introductory brief and formal introduction in advance of the interview. All individual interviews were recorded, with permission, and transcribed verbatim. The transcripts, along with archival documents, were used in the next stage of research, data reduction and analysis.

1.3.6 Data Reduction and Analysis

According to Blaikie (2000:31), data reduction and analysis “*transforms the raw data into a form in which they can be analysed.*” Qualitative research commonly employs particular data reduction techniques including open coding (breaking raw data apart, delineating concepts and labelling concepts), axial coding (relating concepts to each other over time and space), typology construction (creating a schema of codes with a rationalised logic) and theme development (groupings concepts with shared properties into categories) (Blaikie, 2000:236; Corbin and Strauss, 2008:159,195; Flick et al., 2004:271). Data reduction is intricate and multi-faceted. As such, it requires various types of logic including inductive,

deductive, grounded theory, categorisation, connecting and typification logic (Blaikie, 2000:237; Corbin and Strauss, 2008).

Because data reduction is both messy and time-consuming, a range of cognitive mapping tools and techniques are used to visually display domains of knowledge, associated concepts and the relationship between concepts (Fiol, 1995; Fiol and Huff, 1992; Huff and Jenkins, 2002). Various types of cognitive mapping tools and techniques were used in this thesis, including thematic mapping, casual mapping and tables. In Project 1, the SLR, thematic mapping (see Figure 15 and Figure 18) were used. According to Corbin and Strauss (2008), themes “*represent relevant phenomena and enable the analyst to reduce and combine data.*” In practice, the 226 articles and additional were reviewed. The narratives from individual sources were iteratively identified, grouped and built into a mosaic (Hammersley, 2001). After multiple iterations, a stable set of themes supported by coherent evidence emerged. Another type of cognitive mapping technique, causal mapping, was used to display connections between data and help to identify three reasons why PBM was adopted in the Civil Service in Project 2 (see Figure 32). For all projects, tables were heavily used as cognitive mapping technique to identify typical instances of data, and classify and sorted data. For example, a table was used to categorise actors associated with routines during Project 3 (see Table 107). The use of thematic mapping, casual mapping and tables is described in detail in each of research projects.

Qualitative analysis software is a frequently used tool to reduce the complexity and effort required to develop and test data reduction logic. Given the volume of raw data from the semi-structured interviews and source documents for Projects 2 and 3, the qualitative analysis software NVivo (QSR International Pty Ltd, 2012) was used. NVivo was used to develop a rationalised topology of open and axial codes with minimal transgression, i.e., non-unique concepts. Logic for the typology of codes was developed using multiple passes through the data, during which logic for the topology was developed within NVivo. Inconsistencies at a data-level emerged during topology development (e.g., the value of project planning as expressed by policy specialists versus project specialists varied when coding enablers for RQ7 in Project 2.) When inconsistencies were identified, changes to the topology were made (i.e., labels changed, data mapped to different codes or new codes added) in preparation for the next pass through the data. This was repeated until inconsistencies no longer remained.

Data analysis was performed using a combination of content analysis (i.e. deriving concepts directly from the data) and grounded analysis (i.e. inducing concepts and testing these against the data) and (Partington, 2002:113). These approaches to analysis require an interpretation of the key concepts embedded in each theme or code, using the various forms of logic identified in the first paragraph of this section. For this research, the themes identified in Project 1 and codes identified in Project 2 and Project 3 helped structure content analysis. For Project 1, for example, content analysis of the themes in Figure 15 and Figure 18 was used to analyse the origins and definitions of key concepts, issues and debates and

epistemological and ontological approaches. Grounded analysis was used to describe the development of PBO routines over time during project 3 (see Table 67, Table 73, Table 75 and Table 80.)

After data reduction and analysis was complete, the findings were synthesised into key insights relevant for each study, which are summarised in the next section.

1.4 Summary of Findings

As a guide, Figure 5 provides an overview of each stage of the research process including the associated research questions, methodology, findings and gaps used to inform the subsequent stage of research.

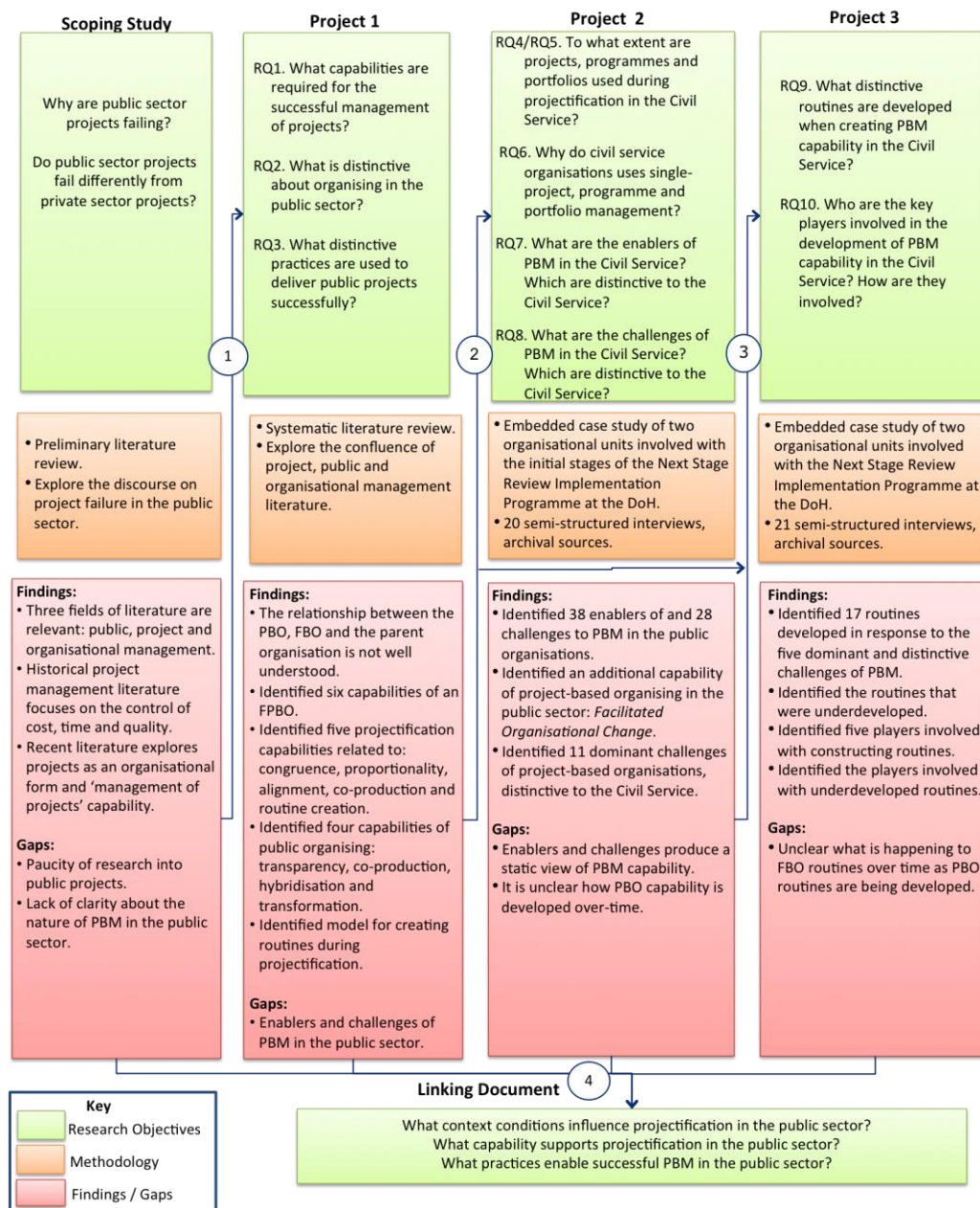


Figure 5: Research Process Overview

Details of the findings for each of the three research projects are outlined in the following sections.

1.4.1 Project 1 – Systematic Literature Review Findings

Project 1 explored projectification in the public sector by considering the literature at the confluence of the fields of organisational, project and public management (as identified in Figure 3) using three research questions that consider these fields in pairs. The findings of each research question are considered here.

RQ1: What capabilities are required for the successful management of projects?

This research question considers the relationship between project management and organisational management fields of knowledge. The literatures shows that there is a conceptual hierarchy for creating capabilities (Dosi et al., 2000; Prahalad and Hamel, 1990; Winter, 2003), whereby routines are grouped together to build capabilities, routines are grouped to create core competencies and core competencies lead to competitive advantage (see Figure 6). Routines represented in the memories of individuals, locally shared language, physical artefacts such as written procedures and globally shared language such as pledges or corporate stories (Cohen et al., 1996:661) are collectively created when *organisational practices* are entrenched in the organisation. As the organisational practices mature, they become more evident and provide a potential means of observing and identifying routines.

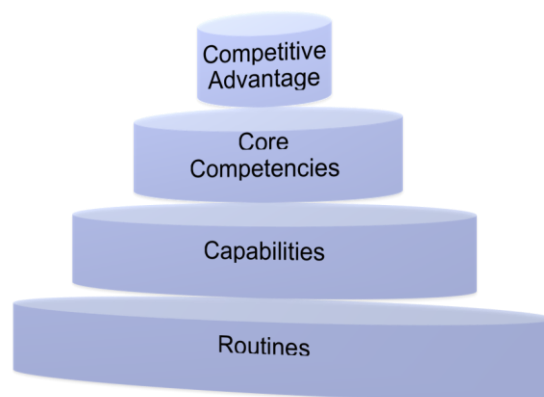


Figure 6: Model of the Hierarchy of Competitive Advantage

Organisational practices exist in parent organisations, which have one or many sub-organisations that may be using different combinations of FBO and PBO. Given the premise that the extent of FBO and PBO must change over time, successful organisations require a core competency of being able to change their organisational form. The study identified five capabilities required to change organisational form: *maintaining proportionality*, *co-creating with stakeholders*, *maintaining congruence between the dimensions of capability*, *fostering alignment between organisational levels* and *developing routines at pace*. Each is explored further in the following sections.

Maintaining Proportionality

The first capability required for successfully changing organisational forms is termed *maintaining proportionality*. This study recognises that there is a plenitude of organisational forms and varying ways to conceive of them. One way to view organisational forms from a project-based perspective is along a continuum, as illustrated in Figure 7.

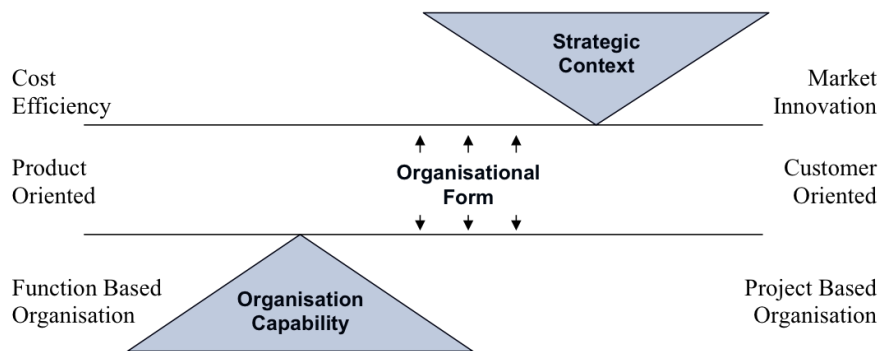


Figure 7: Disproportionality

Source: Author's adaptation of Galbraith (2002) using continuum of organisational forms

The strategic context, organisational form and organisational capabilities are in flux, e.g. new government policies are introduced, departments are restructured, technologies change and leaders change. Successful creating organisational forms depends on ensuring the strategic context, the organisational capability are aligned to the organisational form, i.e., is not overly project-based nor overly functional-based. This is a dynamic process as capability and context can change. Disproportionality results when there is a mismatch, as illustrated in Figure 7.

In contrast to other forms of organising, the FPBO (fully project-based organisation) is customer oriented and “*one in which projects are the primary unit for production, innovation and competition*” (Hobday, 2000:874) i.e. the extreme right of the continuum in Figure 7. According to Hobday (2000), the FPBO is inherently weak where functional-based organisations are strong, such as performing routine tasks, achieving economies of scale, co-ordinating cross-project resources, facilitating company-wide technical development, and promoting organisation-wide learning.

According to Project 1 findings, the FPBO is recognised by six capabilities relating to complexity, investment, governance, specialism, learning and value creation. These are, respectively:

- *Focusing on Innovative One-Off Complex Undertakings,*
- *Making Investment and Strategy Decisions in Advance of Project Initiation,*
- *Coping with Extended and Complex Governance,*
- *Putting Specialism at the Core of Resource Management,*
- *Learning across Organisational and Temporal Boundaries, and*
- *Employing a Portfolio Approach to Value Creation.*

As illustrated in Figure 6, there are organisational practices that mature over time into routines that enable these capabilities.

Summarising, the competency of creating organisational forms is dependent on *maintaining proportionality*, whereby the extent of FBO and PBO are optimised along the continuum of organisational forms.

Co-creating with Stakeholders

The second capability required for successfully changing organisational forms is termed *co-creating with stakeholders*. Based on the SLR, organisations delivering complex products and services (CoPS) projects (Davies and Hobday, 2005; Galbraith, 1973; Hobday and Rush, 1999; 2000; Shenhar, 1998) create a project-based organisational form (Hobday, 1998; 2000). The CoPS organisation must cope with a complex network of high-involvement stakeholders - such as regulators, customers, suppliers, and partners. The CoPS organisations must also cope with the uncertainty of creating innovative products and services, *“especially when there is little repetition of events and long delays between cause and effect”* (Black and Repenning, 2001:34). The challenge can be illustrated using the classic waterfall approach to projects, which encourages deconstructing complexity into smaller, understandable constructs that can be analysed, designed, developed, and then integrated at a later date. However, if the complexity is too great, delayed feedback makes the integration process problematic.

As a response, Söderlund (2002:421) proposes that project level integration is better handled using principles, rather than using feedback systems that have inherent time delays. External complexity is addressed using dynamic *“coupling logic”* (how we work together). This coupling principle is similar to Van de Ven’s (1986:591) concept of *“mutual adaptation”* which states that *“innovations not only adapt to existing organisational and industrial arrangements but they also transform the structure and practice of these environments.”* This interaction is co-creating change – change that will benefit both sides. Internal complexity is handled using processes for developing and sharing knowledge encapsulated in the organisation’s learning systems (Cooper et al., 2002; Prencipe and Tell, 2001; Söderlund, 2008) as shown in Figure 8.

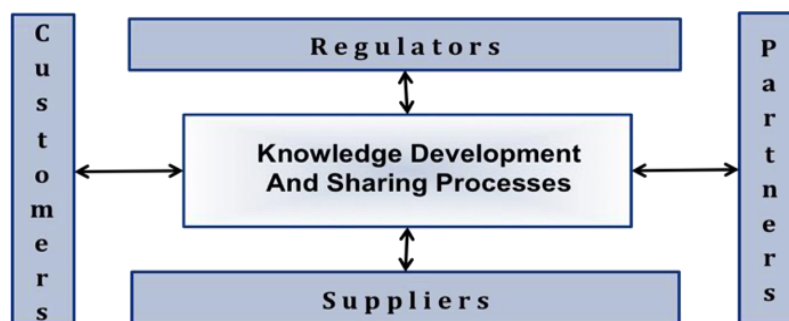


Figure 8: Co-creating with Stakeholders as a capability of PBO

Source: Author’s interpretation of Hobday (1998), Cooper et al. (2002), Prencipe and tell (2001) and Söderlund (2008)

Summarising, the capability to create organisational forms is dependent on *co-creating with stakeholders*, a process supported by knowledge development and sharing processes.

Fostering Alignment between Organisational Levels

The third capability required for changing organisational forms is termed *fostering alignment between organisational levels*. The SLR emphasised the bi-directional and dynamic nature of project strategy in successful organisations, describing how it operates at multiple levels and links the organisation to its environment (Artto and Wikström, 2005; 2008a; 2008b; Goodman, 2000; Thiry and Deguire, 2007). The literature identifies portfolio, programme and single-project management as important to PBO, each operating at a different level, each delivering different outputs with different measures of success. FBO operates with different management levels, which are deemed to be corporate, business unit and individual for the purposes of this discussion (see Figure 9).

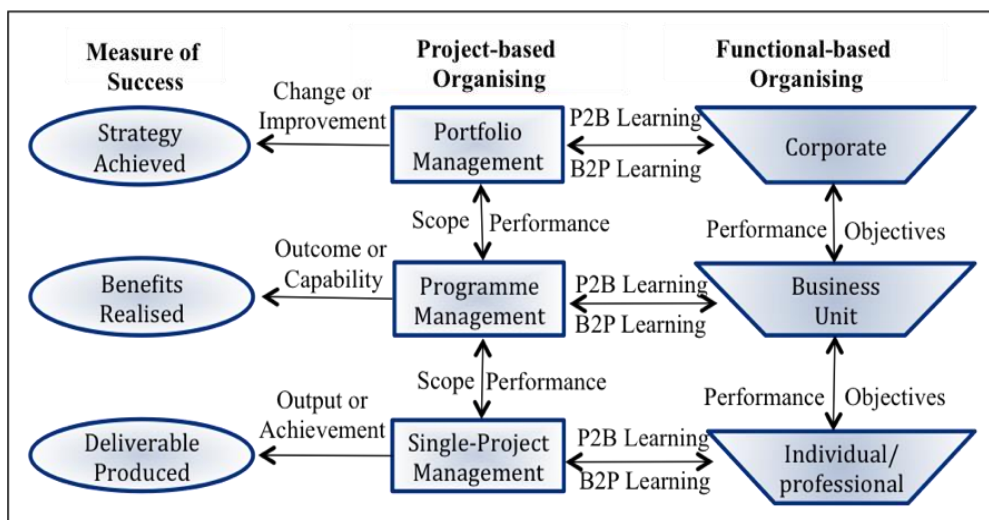


Figure 9: Fostering Alignment between Organisational Levels

Source: Author, inspired by Goodman's (2000:31) schematic of organisational linkages

Extending the idea of levels further, Goodman (2000) observes that linkages do not inherently exist vertically between corporate, business unit and individual levels or horizontally between PBO and FBO. Linkages must be made in both directions, as illustrated in Figure 9, and Acha et al. (2005) suggest that project-to-business (P2B) and business-to-project (B2P) learning play a role in creating and maintaining linkages.

Summarising, the capability to create organisational forms is dependent on *fostering alignment between organisational levels*, whereby levels within an organisation are linked and FBO and PBO are also linked.

Maintaining Congruence between the Dimensions of Capability

The fourth capability required for changing organisational forms is termed *maintaining congruence between the dimensions of capability*. This capability is derived from two bodies of knowledge, with one related to project critical success factors and the other to organisational capability. Leonard-Barton's (1992) seminal article examining the nature of core capabilities identifies values and norms, managerial systems, skills and knowledge base, and technical systems as inter-connected dimensions of an organisational capability, with each playing an important part.

Analysis of four critical success frameworks for project with the support of Table 21 resulted in a consolidate set of seven perspectives of success, which aligns directly to Leonard-Barton's (1992) four dimensions of capabilities as follows:

- **Norms and values:** organisational behaviour,
- **Managerial systems:** structures and governance, business benefit, stakeholder interests and preparing for the future,
- **Skills and knowledge:** skills and knowledge, and
- **Technical systems:** operational processes.

This mapping illustrates the multi-dimensional nature of PBO success, describing a range of types of organisational practices and routines that are required to develop capabilities (as illustrated in Figure 6.)

Generalising, the capability to successfully create an organisational forms is dependent on developing a balanced set of practices and routines that can be categorised according to the four dimensions of capability (i.e., norms and values, managerial systems, skills and knowledge and technical systems). This is termed *maintaining congruence between the dimensions of capability* for the purposes of this study.

Developing Routines at Pace

The fifth capability required for changing organisational forms is termed *developing routines at pace*. This study proposes that changes to organisational routines (Ambrosini and Bowman, 2009; Becker, 2004; Feldman, 2000; Feldman and Pentland, 2003; Nelson and Winter, 1982; Pentland and Feldman, 2005; 2008; Pentland et al., 2012; Teece et al., 1997) lead to changes to organisational form, as part of a learning processes (Brady and Davies, 2004; Bresnen et al., 2003; 2005; Keegan and Turner, 2001; 2002; Prencipe and Tell, 2001). This theory suggests that changing organisational form depends on deconstructing old routines and inheriting routines from the parent organisation or constructing new routines within the organisational unit.

Figure 10 provides a simplified model of organisational form change over time, from the perspectives of FPO and PBO. According to this model, the development and inheritance of PBO routines and the deconstruction of FBO routines occur during projectification. According to Teece et al. (1997:514), "*resource endowments*

are 'sticky:' at least in the short-term, firms are stuck with what they have and may have to live with what they lack." Leonard-Barton (1992) suggests the tardiness could be result of overuse of routines, leading to core rigidities. Hence, the development of new routines can be slow and even take longer than the lifetime of an individual project.

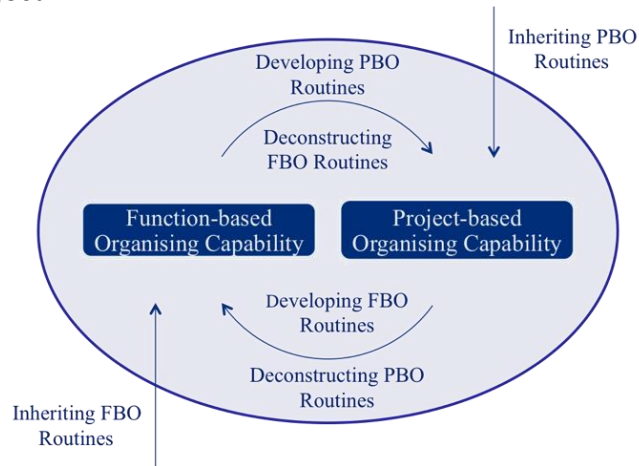


Figure 10: Changing Organisational Form over Time (conceptual diagram)

The slow development of routines is not problematic if the business environment allows the change to be made incrementally. However, when faced with an organisational initiative demanding programmification and projectification, an accelerant is required. Gareis and Huemann (2000) highlight that organisations must develop specific integrative structure during PBO to deal with the challenges and paradoxes that exist, as there is no natural place for these to be managed in a functional-based organisation. Recent research of PMOs (Artto et al., 2011; Aubry et al., 2007; Hobbs and Aubry, 2007; 2008; Hobbs et al., 2008; Pellegrinelli and Garagna, 2009; Thiry and Deguire, 2007), suggest that the PMO is an important accelerant and has a critical role in the development of the routines that result in the necessary structure.

One important consideration of projectification is that, as an organisation transforms toward a FPBO, FBO practices of the organisation are deconstructed and eventually cease to exist. PBO must embody these business functions. How this paradoxical transition occurs is unclear, although the *processual change at pace* (Pettigrew, 1997), otherwise known as temporality (Acha et al., 2005; Shenhar, 1998), is an important consideration.

Summarising, the capability to create organisational forms is dependent on *developing routines at pace*, whereby the time it takes for routines to be established through internal developed by involved actors or inherited from other organisational entities must not lag. The PMO is likely to be an important accelerant.

In conclusion, the study of RQ1 identified five capabilities required to develop a core competency of changing organisational form. These include: *maintaining proportionality, co-creating with stakeholders, maintaining congruence between the*

dimensions of capability, fostering alignment between organisational levels and developing routines at pace.

RQ2: What is distinctive about organising in the public sector?

This research question considers the relationship between public management and organisational management fields of knowledge. The SLR concludes that publicness (Bozeman, 1987; Bozeman et al., 1992; Coursey and Bozeman, 1990; Rainey, 1979; Ring and Perry, 1985) is relevant to projectification. Publicness is embodied in two long-standing principles of public organising: *democratic engagement* (Pallot, 2003; Pollitt, 1986) and *transparency* (Hood, 2007; Stirton and Lodge, 2001). In Britain, the reforms of the New Right and New Labour brought about a shift in public organising from hierarchical bureaucracy to markets and networks (Bevir and Rhodes, 2010; Dunleavy and Hood, 1994; Ferlie et al., 1996; Hood, 1991; Moore, 1995; Osborne and Gaebler, 1993). As a result, two additional principles of organising have become more important: *hybridisation* (Arellano-Gault et al., 2013; Bozeman, 2013; Christensen and Lægreid, 2011b; Emery and Giauque, 2003; Greer and Hoggett, 1999; Miller et al., 2007) and *societal transformation* (Christensen and Lægreid, 2001b; McNulty and Ferlie, 2004), adding complexity to the modern public organisation.

Within the context of the four identified public sector principles, organising in the public sector can be described as having five distinctive capabilities relating to public: leadership, governance, professionalism, innovation and performance. These are, respectively:

- *Navigating politicised decision-making processes,*
- *Coping with complex extended relationships,*
- *Managing the professional autonomy of the workforce,*
- *Introducing innovations driven by the values of the collective, and*
- *Articulating value across organisational boundaries and time.*

The relationship between the capabilities of public organising (RQ2) and those of changing organisational form during projectification (RQ1) is considered further in the discussion in section 1.5.

RQ3: What distinctive practices are used to deliver public projects successfully?

This research question considers the relationship between project management and public management fields of knowledge. Based on the SLR, the literature on distinctive public sector project management practices is limited and narrowly conceptualised. In general, that which exists is largely concerned with adapting to formal rules and regulations, e.g., procurement and contracting (Kassel, 2010). However, some specific findings do emerge.

Considering RQ3 from a policy implementation perspective, project management can be seen to offer “*predictability, accountability, surveillance and control*” to complex pieces of policy-making (Hodgson, 2004:98). However, project practices

that compartmentalisation policy-making into discrete phases is heavily criticised (Bacon and Hope, 2013; Rutter and Hallsworth, 2011; Skelley, 2008), as policy-making is a contiguous and interactive activity. It follows that project-based practices might be useful, but need to be adapted.

A second insight is that projectification of policy-making exacerbates knowledge management and learning deficiencies as project team members often move to other work before knowledge is captured or lessons are learned (DeFillippi and Arthur, 1998). Adaptations to knowledge and learning practices may need to be required. Without some adaptation, the effect of layering project structures and processes onto existing public policy-making practices does not offer the promised flexibility, innovation or learning across boundaries that PBO appears to offer. The third insight is that the focus of project management in the public sector has transitioned from single-project management to multi-project (programme management) over recent years (Cats-Baril and Thompson, 1995; Chan and Kumaraswamy, 2002; Hall and Holt, 2002; Holt and Rowe, 2000; Mazouz et al., 2008; Rwelamila, 2007). This shift follows the introduction of programme management theory (Pellegrinelli, 1997), which has been reflected in the updates to public project practitioner guidance as discussed in the introduction to the SLR (section 2.2.) As such, there is some evidence of an effort to reconceive public projects as something broader, as an organisational form that requires distinctive skills and knowledge.

1.4.2 Project 2 – Empirical Study Findings

Project 2 studied the enablers (i.e. enabling organisational practices) and challenges (i.e. challenged organisational practices) of projectification using two organisational units during the NSRIP in the DoH - in an attempt to understand the development of PBM capabilities in the public sector. As a contextual consideration, the study established where the organisational units were along the continuum of FFBO to FPBO by considering the extent to which their work is managed using single-projects, programmes (RQ4) and portfolios (RQ5.) The perceived benefits of PBM in the Civil Service (i.e. using projects, programmes and portfolios) (RQ6), the enablers of PBM including those distinctive to the Civil Service (RQ7), and challenges of PBM, including those distinctive to the Civil Service (RQ8) were investigated.

RQ4: To what extent are programmes and projects used during projectification in the Civil Service?

Exploring the extent to which projects and programme are used considers the organisational context for PBM. Projects and programmes are considered together as the distinction between the two is not as clear in the public sector as project management theory suggests.

The NSRIP was described as the largest policy-project the DoH ever experienced. It directly affected most of the directorates in the department and required

significant attention from the senior leadership team and department executive. Following the initiation of the NSRIP, the standard business of a Department of State, e.g., handling parliamentary questions, continued to be managed using FBO. However, the amount of work managed using PBO increased until slightly more than half of the work in the six main directorates was managed using projects. As such, they shifted from using FBM to using PBM, when more work is managed using PBO than using FBO. According to respondents, there was no central decision to make this shift; instead, it occurred organically as a result of changes in a range of organisational practices.

There is an additional finding that emerged related to variations in the use of language in the public sector. The term *programme*, in particular, is a very frequently used in the Civil Service. However, the word is used in relation to implementing policy, which may include the use of projects, but not necessarily so. As such, the term does not carry with it the nuances of programme management practices in the project management field, which would include the use of concepts such as benefit realisation, change management and project governance.

RQ5: To what extent are portfolios used during projectification in the Civil Service?

Exploring the extent to which portfolios considers the organisational context for PBM. Portfolios are explored separate from programme and projects to study how portfolio management practices manifest themselves.

In its basic form, portfolio management practice focuses on priority setting and resource allocation between competing demands. In support of the NSRIP, there were two levels of portfolio management, one operating at a directorate level, and one at a corporate level. Of these two, the directorate level was more clearly structured and formally practiced. Although the NSRIP was designed to have a significant effect on the NHS, there was minimal evidence of corporate-level portfolio management linking directorates, other than a rudimentary tracking of projects that formed late during the NSRIP. Although there were intentions of *co-developing* policy with stakeholders in the NHS, there were no transparent priority setting and resource allocating practices, suggesting that portfolio management was not used in this way.

RQ6: Why do Civil Service organisations use single-project, programme and portfolio management?

Single-project, programme and portfolio management are used as proxy terms for the concept of PBO (as shown in Figure 9). These terms are used to consider the contextual conditions that motivate organisations to undergo projectification. Using causal analysis, the evidence from the case study indicates three benefits of PBO for the project-matrix organisational units studied as part of the NSRIP: *Improved accountability and transparency*, *A Strategic Approach to Managing Change* and *The ability to mobilise quickly*. The latter was the most widely and frequently identified reason.

RQ7: What are the enablers of PBM in the Civil Service? Which are distinctive to the Civil Service?

This research question explores the enablers of PBM as a way of identifying organisational practices used to develop PBM capabilities in the public sector. The study identified 38 enablers. A full list of enablers of PBM mapped to the capability of an FPBO can be found in Appendix 7: Project 2 – Sources Identifying Enablers of PBM. According to interviewees, 11 of the 38 enablers of PBM were dominant (commonly and frequently identified by interviewees.) A subset of enablers did not fully map to the six capabilities of a FPBO identified in RQ1 (see page 21), suggesting the need for an additional capability of a FBPO, *Facilitating Organisational Change*. This increased the number of capabilities of PBM from six to seven.

Because RQ7 depends on interviewees interpreting whether enablers were distinctive, the experience of the interviewees was analysed (see Table 51) to find that collectively the interviewees had notable experience in the private and other sectors, as well as the Civil Service. This data is discussed in section 3.5.3. Ten of the enablers were distinctive to the Civil Service:

- Effective Use of Consultancy,
- PBM Capable SCS,
- Unifying Management Framework,
- PPM Capable Policy-Makers,
- Flexible Resourcing,
- Conceiving PBM as Managing Change,
- Aligned Policy And Project Language, and
- Impactful PPM Centre of Excellence,
- Co-Production with Stakeholders,
- Consultants Partnering with Policy-Makers,

The first five were the most dominant (i.e., commonly and frequently identified by interviewees).

RQ8: What are the challenges of PBM in the Civil Service? Which are distinctive to the Civil Service?

This research question explores the challenges of PBM as a way of identifying organisational practices used to develop PBM capabilities in the public sector. The study identified 28 challenges of PBM. A full list of challenges of PBM mapped to the capability of an FPBO can be found in Appendix 8: Project 2 – Sources Identifying Challenges of PBM. Eleven of the challenges of PBM were dominant (commonly and frequently identified by interviewees.) These challenges grouped with the enablers identified in RQ7 can be used to identify organisational practices relevant to the development of PBM capabilities.

Because RQ8 depends on interviewees interpreting whether a challenge was distinctive, the experience of the interviewees was analysed (see Table 51) to find that collectively the interviewees had notable experience in the private and other

sectors, as well as the Civil Service. According to the interviewees, five of the dominant challenges were distinctive to the Civil Service:

- Conflict Between Project Management and Policy-making Specialists,
- Volatile Nature of Ministerial and Parliamentary Decision-making,
- Lack of Learning from Other Civil Service PBM experiences,
- Continual Construction of Value and Purpose, and
- Continual Review and Public Scrutiny.

The first of these was the most frequently identified dominant challenge. The five dominant distinctive challenges are used to structure the investigation in Project 3.

1.4.3 Project 3 – Empirical Study Findings

Projectification is a shift along the continuum of organisational forms toward an FPBO and away from an FFBO. According to Figure 10, projectification can be conceived of as a dynamic process of constructing PBO routines while deconstructing FBO routines. Project 3 explores routines that are constructed (i.e. the maturation of organisational practices) during projectification in the Civil Service (RQ9), using the five dominant challenges identified in RQ8 as the starting point for the investigation. These are selected for three reasons: to contain the investigation, to focus on organisational practices that interviewees deem to be important and to focus on organisational practices are known to have a meaningful impact on delivery success. RQ10 is used to define key players involved in the development of PBM capabilities and how they are involved.

RQ9: What distinctive routines are developed when creating PBM capability in the Civil Service?

This study identified 17 routines that are developed over time to response to the five dominant distinctive challenges of creating PBM capability. Problematic organisational routines, i.e. those that failed to mature and become embedded, were identified. For each dominant challenge, one or more routines were not fully developed even after an extended period of time.

RQ10: Who are the key players involved in the development of PBM capability in the Civil Service? How are they involved?

The study identified five key involved actors (Director General, Director, Deputy Director, Programme Management Offices, i.e. directorate-level PMO, and Project Management Centres of Excellence, i.e. corporate-level PMO) that were involved with developing the PBM routines identified RQ9. The first three actors are familiar to FBO. During PBM, they have PBO responsibilities as well, perhaps a manifestation of the construction of routines using FBO capabilities as illustrated in Figure 10. The remaining two roles are project-based roles, with additional functional-based responsibilities.

According to the results, multiple actors were involved with developing each PBM Capability. It was an interdependent and collective effort amongst the actors. All

actors succeeded with some routines and each struggled with at least one routine. The pattern varied between organisational units, although Deputy Directors appeared to struggle the most. The involved actors were experienced professionals. However, some of the involved actors had no experience of developing PBM capability in the Civil Service and those that did have primarily only had experience in the DoH, limiting their perspective on how to develop the necessary routines.

1.4.4 Epilogue

One might ask, “At the end of the NSR Implementation Programme, what happened to the PBM capability that was developed by the involved actors and organisational units?”

Most of the policies of the NSRIP were implemented and are now influencing the NHS and wider health economy in the UK. However, as identified in the study, the decisions of Parliament and its Ministers are volatile. The entire NSRIP ended in 2011, with the arrival of a new (coalition) government. New health policy priorities superseded the previous priorities that were driving this programme.

As is characteristic with PBO, all of the involved actors have moved on:

- Both Directors General left the DoH and the Civil Service
- Two of the Directors involved left the DoH and Civil Service
- Both Deputy Directors moved to other parts of the DoH
- The Heads of the LP PMO and WD PMOs left the DoH and the Civil Service
- The Head and Deputy of the DoH CoE left the DoH and the Civil Service

The DoH remained as an organisation, but was reorganised when NHS England was created and took over many functions of the department in April 2013. The core functions of the Informatics and Workforce Directorates remained up to 2013.

Policies will continue to be developed in the DoH and in other Civil Service Departments. Based on the findings, is expected that civil service organisations that require quick mobilisation and a strategic approach to change, while improving accountability and transparency, will adopt PBM as a way of organising. Challenges to PBM will remain and solutions will continue to be sought.

1.5 Discussion

This study explores projectification (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014), the increased use of PBO, in public organisations. The study views success through the lens of organisational capabilities (Dosi et al., 2000; Galbraith, 1973; Leonard-Barton, 1992; Mintzberg, 1979; 1983b; Prahalad and Hamel, 1990; Winter, 2003).

Galbraith (1973), Mintzberg (1979; 1983b) and others provide a foundation for understanding a range of organisational forms. However, understanding of the

project-based form of organising remains incomplete. In particular, “*we know very little about the project-based organisation or how its processes differ from those of various matrix and functional forms of organisation or how disadvantages of the project-based organisation can be overcome in practice*” (Hobday, 2000:872). Some researchers even suggest this is one of the most significant structural problems in managing complex organisations (Leonard-Barton, 1992).

This thesis considers the project-based form of organising by studying projectification, the shift from FBO toward PBO, through the lens of organisational capability, which is rooted in the resource-based view of the firm. Leonard-Barton’s (1988; 1992) seminal articles examine the nature of (*core*) capabilities of the firm and establish the definition for organisational capability used in this paper. Leonard-Barton defines a core capability as “*the knowledge set that distinguishes and provides a competitive advantage.*” As the environment in which the organisation operates continually changes, the core capabilities of the firm need to evolve; “*corporate survival depends upon successfully managing that evolution*” (Leonard-Barton, 1992).

This study employs paradox resolving techniques, as suggested by Poole and Van de Ven (1989), that include: clarifying the unit of analysis, introducing new terms, taking time into account and considering accepting the paradox and using it constructively. This study clarifies the *organisational unit* as the unit of analysis; this means that both FBO and PBO are included in the analysis and the parent organisation exists as part of the context. During this thesis, terms such as the *nature of organisational forms, the development of capability, capabilities of FPBOs, FBO, PBO, the continuum of organisational forms, PBM, PBM strategy, Enablers of PBM (dominant), challenges of PBM (dominant and distinctive), PBO routines and involved actors* are used to explore projectification in the public sector.

The findings from the ten research questions in the three research projects are discussed here according to three linking questions (see Figure 3).

- What context conditions influence projectification in the public sector?
- What capabilities support projectification and PBM in the public sector?
- What organisational practices enable PBM in the public sector?

1.5.1 Contextual Conditions that Influence Projectification

This thesis explores the context conditions that influence projectification in the public sector. In order to understand the context, it is necessary to define the organisational entity that is of interest during projectification. The term *organisational unit* is used to acknowledge the embedded nature of organisations. It allows for a distinction to be made between the *parent organisation*, in which an organisational unit resides, and other organisational units that also exist in the parent, and avoids functional organising terms such as departments and divisions.

Turner (2007: 651) describes two general factors that provoke organisational units to adopt PBO: the nature of the demands from the organisation’s customers

and strategic choices that suit the nature of the business and give it competitive advantage. Before describing the customer demands and strategic choices, it is important to reflect on the use of the term *competitive advantage* in the public sector. Although it is not entirely an inappropriate concept, as some public sector organisations have a competitive aspect, the phrase does not align easily with public management theory. There are other drivers and considerations, such as inclusion and equity that require behaviours leading to public value that may not lead to competitive advantage in a commercial sense. For this reason, it may be appropriate to restate the term *competitive advantage* as *the capability to successfully deliver policy intentions*, in this case the NSRIP. In this way, a successful Civil Service organisation is one that delivers policy well. The presumption is that policy intentions need to be developed in such a way as to be of public value rather than commercial value.

There were three particular considerations of public value identified by interviewees during this study. The first is *maintaining accountability and transparency*, consistent with Quinn and Cameron (1988) who highlight the importance of accountability to public organisations. The scope of the policies affected by the NSRIP was far-reaching and impacted on many parts of the DoH and NHS. *Improved accountability and transparency*, as a key benefit of PBM, adheres to both the performance-related doctrine of NPM (Ferlie et al., 1996; Moore, 1995; Osborne and Gaebler, 1993) and the theory that organising in the public sector must provide visibility, predictability and accountability (Hodgson, 2004). This benefit emphasises that all forms of organising in the public sector must adhere to the principles of good public management.

The second particular consideration of public value was to provide *A Strategic Approach to Managing Change*. During the NSRIP, the DoH was embarking on a complex innovative undertaking with an unclear endpoint. *A strategic approach to change* acknowledges that PBM is often about change management and presents it as “an important (strategic) management tool for aligning organisation and environment” (Dijksterhuis et al., 1999:569). There is a continued awareness of the need to manage change. PBM, particularly programme management, is seen to be a vehicle for managing change.

The third particular consideration of public value was to *the ability to mobilise quickly*, e.g., in response to ministerial policy imperatives. The policy imperatives of the NSRIP were new and innovative and the organisational units delivering the NSRIP were under pressure to deliver very high-profile policy imperatives without all of the necessary policy-delivery capabilities. At the start of the programme, the demands put on the organisational units left little time and energy available to ensure they had the capability to deliver. Yet, without the policy-delivery capabilities, the organisational units were at risk of failure. The dynamics of initiation and set-up were critical. Gann and Salter (2000:967) note “the ability to assemble project teams rapidly is described by firms as a core capability for personnel at all levels of the project-based enterprise.” This serves to emphasise that project-based capability is about more than applying programme and project

management tools and techniques. It is about pace and speed. It is a way of organising to do something particular and do so quickly.

Acknowledging that Ministers and the government were driving the organisational units to deliver the NSR policy imperatives, the factors that provoked the organisational units into adopting PBO in the Civil Service might be restated as *policy intentions of Ministers and the government that require quick mobilisation and a strategic approach to managing change, while maintaining accountability and transparency to Parliament and the citizens*. As such, this provides a generalisable view of the contextual conditions that drive organisations to begin projectification and developing PBM capability in the public sector.

1.5.2 Capabilities that Support Projectification and PBM in the Public Sector

This study began with concerns for the success of public projects. Traditionally, capability and maturity are interrelated when considering how to improve project success (Andersen and Jessen, 2003; Cooke-Davies and Arzymanow, 2003; Crawford, 2006; Kerzner, 2009). Andersen and Jessen (2003) describe maturity as the sum of action (ability to act and decide), attitude (willingness to be involved), and knowledge (an understanding of the impact of willingness and action). However, the term *maturity* can be misleading, as the implication is that a mature organisation is the desirable end-goal for an organisation and, in the context of PBM, this implies that a mature organisation would be fully project-based. This is inconsistent with the five PBM capability-creating strategies that are described above, in particular the capability *maintaining proportionality*. The five strategies are about the capability to develop an appropriate form of organising. A second implication of maturity is that capability development is unidirectional, as in biology with organisms that grow from infancy to maturity. However, this biological analogy is too simplistic. It obscures the complexity of organisational forms and that the organisational form may ebb and flow according to context and need. This is an important departure from historical theory about project-based maturity.

In this thesis, capabilities are described as sets of organisational practices that become routines, which are institutionalised (Dosi et al., 2000; Galbraith, 1973; Leonard-Barton, 1992; Mintzberg, 1979; 1983b; Prahalad and Hamel, 1990; Winter, 2003) – see Figure 6. Another perspective of capability comes from Leonard-Barton's (1992) study of capabilities in a project context. She proposed a conception of capability that included four dimensions (see Figure 26). She surmises that core capability content is embodied in *skills and knowledge* and embedded in *technical systems*. The process of knowledge creation and control are guided by *managerial systems*. The fourth dimension is *values and norms* associated with the various types of embodied and embedded knowledge and with the processes of knowledge creation and control. The four dimensions are interrelated, with each supported by the others. Value and norms in particular permeate the other three dimensions of core capability and take on a type of

integrating role. Both conceptions of capability, as captured in Figure 6 and Figure 26, are used in this study.

Based on the evidence, successful projectification in the public sector depends on a double loop capability construction process, i.e. PBM capabilities depend on an organisation's capability to create new organisational forms. As such, projectification requires two sets of capabilities to succeed: the '*capabilities of* project-based organisational form and the '*capability to create*' the organisational form, and both are important. The pace of development of individual capabilities will vary depending on the availability of historically established routines within an organisational units, the availability of strong routines to inherit from the parent organisation, and the skill and experience of the involved actors to develop the necessary routines (as illustrated in Figure 10.)

Using the project, organisational and public management SLR in Project 1, the capabilities for creating an organisational form include:

- *Developing Routines at Pace*: determines how well the organisational units mature practices into routines using internal processes and inheritance,
- *Maintaining Alignment across Organisational Levels*: determines how well portfolios, programmes and single-projects of work align with the business strategy and benefits imbued in policy intentions,
- *Co-producing with Stakeholders*: determines how well stakeholders are engaged with the organisation,
- *Maintaining Proportionality*: determines how well the ratio of PBO to FBO working suits the organisational context.
- *Fostering Congruence between the Dimensions of Capability*: determines how well PBM considers and balances the various dimensions of capability.

Based on the SLR, public organising depends on five distinctive capabilities: *introducing innovations driven by value defined by the collective, navigating politicised decision-making processes, managing the professional autonomy of the workforce, coping with complex extended relationships, and articulating value across organisational boundaries and time*. In a well performing public sector organisation, these capabilities are available for inheritance. It is possible that there are usable organisational practices, e.g., related to coping with complex extended relationships that might support co-producing with stakeholders.

Organisational theory indicates that both FBO and PBO, as modes of organising, need to be managed well during PBM to ensure organisational sustainability and effectiveness (Mintzberg, 1979; 1983b; Galbraith, 1973). Favouring PBO does not suggest that FBO can be entirely ignored within an organisational unit. As illustrated in the case studies, the organisational units continued to deliver much of their work using FBO and relied upon both for success (i.e. competitive advantage.)

To understand the second set of capabilities, those of PBM, this study first identified the capabilities of a FPBO, the theoretical end point of complete

projectification of an organisational unit. The set of seven required capabilities is listed in Table 2 against the dominant (i.e., commonly and frequently identified by interviewees) challenges and enablers of PBM. Although this set of enablers and challenges is only a subset of the total, it is useful for illustration purposes.

Table 2: Capabilities of an FPBO, Dominant Enablers and Challenges

Capabilities of an FPBO	Dominant Challenges of PBM	Dominant Enablers of PBM
Focusing on Innovative One-Off Complex Undertakings	• Continual Construction Of Value And Purpose	• Effective Use Of Consultancy
Making Investment and Strategy Decisions in Advance of Project Initiation	• Volatile Nature Of Ministerial And Parliamentary Decision-Making	• Business Plans Linked To Investment Decisions
Coping with Extended and Complex Governance	• Continual Review And Public Scrutiny • Need For A More Comprehensive Management Framework	• Unifying Management Framework
Putting Specialism at the Core of Resource Management	• Conflict Between Project Management And Policy-Making Specialists • Consultants Can Be Overused	• Managed Cadre Of PPM Specialists • PPM Capable Policy-Makers
Learning across Organisational and Temporal Boundaries and	• Lack Of Learning From Other Civil Service PBM Experiences • Requires A Systematic Process For Learning From The Past	• Corporate Tools And Methodologies
Employing a Portfolio Approach to Value Creation	• More Decision-Makers Involved With Local Priority Setting	• Flexible Use Of Resources
Facilitating Organisational Change	• Requires A Foundation Of Project-Based Capabilities To Build Upon • Senior Level Not Highly Practised In Using PPM	• Appropriate PMO Services • PBM Capable SCS

Applying Leonard-Barton's conception of core values, a PBM Capability Development Framework was created by mapping all of the enablers (RQ7) and challenges (RQ8) identified in Project 2 to the four dimensions of capability and grouping challenges and enablers into organisational practices. (For the full model see Appendix 9: Project 2 – PBM Capability Model for the full PBM Capability Framework.)

With both sets of capabilities, i.e. those for creating an organisational form and those for the PBM organisational form, the study suggest that public organisation undergoing projectification depend on organisational practices that are not available to be inherited. They must, therefore, be able to construct new PBO routines internally, while deconstructing existing FBO routines, as illustrated in Figure 10.

1.5.3 Organisational Practices that Enable PBM Capabilities

Pettigrew et al. (2001) have critiqued the literature on organisational change, proposing that researchers should pay greater attention to history, pace and sequencing. As such, this thesis explores how PBM capability is created over time. Usefully, Prencipe and Tell (2001) describe *quasi-genetic* traits that embody the organisation's capabilities and are retained in the firm, despite the change in content and structure of activities. These meta-routines become the basis of capabilities for specialist-led project-based firms (Acha et al., 2005; Salter and

Gann, 2003). For the purposes of Project 3, I adopted the simpler term *routine* rather than meta-routines, which is defined by Feldman and Pentland (2003:93) as “*repetitive, recognizable patterns of interdependent actions involving multiple actors.*” The concepts of involved actors emerged from this definition as complementary to the concept of routines.

According to the premise that routines are a mechanism for developing and embedding capability (Bresnen et al., 2005; Langley, 2009; 2007), organisational success is derived from *developing routines that create PBM capability*. Focused on the five dominant challenges of PBM in the Civil Service that were identified in Project 2 as areas of potential areas of failure, I identified relevant routines that were developed in response and investigated their development over time. Table 3 summarises those routines. The results showed that the organisational units developed a set of 17 relevant routines, with one of the involved actors as the focal actor for each of the routines. Multiple roles are involved with developing the routines that address each of the dominant challenges of PBM, highlighting the inter-dependency of actors to develop PBM capability.

Table 3: PBM Capability Framework: Challenges, Routines and Focal Actors

Proposition Based on Dominant Challenges	PBM Capability Developing Routines	Focal Involved Actor
Align the Organisational Practices of the Policy-making Specialists with those of the PPM Specialists	<ul style="list-style-type: none"> Integrating Specialist Resources Understanding Accountability and Scrutiny in the Civil Service Tempering Project Planning for Policy-making Legitimising the PPM Profession Mediating Between Policy and PPM Specialists 	Deputy Director Director PMO* Director Director*
Enable Value and Purpose to be Effectively Negotiated across Temporal and Organisational Boundaries	<ul style="list-style-type: none"> Building a Compelling Narrative Developing Benefit Realisation Management Establishing and Maintaining a Mandate 	Director General* Deputy Director Director General
Enable the Flexible Use of Resources	<ul style="list-style-type: none"> Integrating Business Planning across Organisational Units Developing Robust Programme Management Office Services Developing a Culture of Continuous Improvement 	Director PMO Director General
Integrate Public Review and Scrutiny into Policy-Project Implementation	<ul style="list-style-type: none"> Establishing a Management Framework Leading and Motivating Teams during Rapid Change Developing SROs Experienced in Civil Service PBM 	Deputy Director Deputy Director* Director General
Exploit the Skills and Knowledge of PBM from other Civil Service Experiences	<ul style="list-style-type: none"> Developing Individual Careers Developing Directorate Learning Systems Integrating PBM with Corporate Learning Systems 	Deputy Director PMO CoE

Note: Actors involved with the four least developed routines are marked with a ‘*’.

The pace of the development of routines was slow at the beginning of the NSRIP. Under pressure to deliver, the organisational units were less focused on developing capability building routines and more on producing project outputs. Frustrations of the involved actors ran high at this time. There was an emphasis on the heroic commitment of individuals who were working to manage the tensions between PBO and FBO, in the absence of a unified management system. Over time the organisational units attended to capability development and began to

strengthen the routines. After several years, routine strengthening slowed and plateaued. At the end of the study period, 11 of the 17 routines were still not strongly developed.

PBM capability was developed during the NSRIP, with routines strengthened (institutionalised) over time. However, the under-developed routines exposed the organisation to potential failure, with heightened concerns about the least developed routines and the involved actors include:

- Tempering Project Planning for Policy-Makers
- Mediating between Policy and PPM Specialists
- Building a Compelling Narrative
- Leading and Motivating Teams during Rapid Change

All four of the least developed routines suffered because policy-makers and policy-making were not integrated into the approach to PBM. The (Programme) Director role did not appear to successfully mediate between the policy and PPM specialists, particularly early in the programme. The Director General did not fully exploit the Civil Service's particular routine of building a compelling narrative. The PMO, as a facilitator of change, was not successful in tempering project planning for policy-makers. Finally, the Deputy Directors, as experienced policy specialists rather than experienced change managers, struggled with motivating staff during rapid change, in particular the permanent policy-making staff members.

It is important to consider the overall research process. There were dominant challenges identified in Project 2 that were not distinctive to the Civil Service. Also, there were non-dominant challenges that were identified in Project 2. These other challenges were not used to scope Project 3. However, other routines would have been developed in response to these challenges too.

What limitations hampered the development of routines in the organisational units? Prencipe and Tell (2001) describe how inheritance plays a role in capability development. The results of Project 3 indicate that the organisational units were unable to rely heavily on inheriting routines from the parent organisation, as pre-existing developed routines were not readily available in the parent organisation. Therefore the organisational units had to develop capabilities by pulling themselves up *by their bootstraps*, internally driven by the skill of the involved actors, without the aid of inheritable routines. One organisational unit primarily had only FBO routines at its disposal with which to build PBO routines. However, FBO is not a form of organising that is well suited to change or the development of new capabilities (Galbraith, 1973; Mintzberg, 1979; 1983b). The effect was that the organisational units were both the objects and agents of change, as described by Pettigrew et al. (2001) and very dependent on practitioners skilled in routine development.

The relationship between focal involved roles and routines is summarised in Table 4. The last developed routines are emboldened. The results of Project 3 show that the organisational units relied upon the involvement of five actors to develop

routines: Directors General, Directors, Deputy Directors, Heads of Programme Management Offices (i.e. directorate-level PMOs) and Heads of Centres of Excellence (i.e. corporate-level PMO).

These roles can be considered according to DeFillippi and Arthur's (1998:135-136) three types of role in PBM: principals, professionals and apprentices.

- The principals are described as *"those people behind the initial strategy formation and funding."* In the film industry, for example, the principals are the producers and director. The principals in this study are the Director General and the Directors.
- The professionals are described by DeFillippi and Arthur as *"those hired by the principals to perform particular artistic or commercial competence in support of the adopted strategy."* In this study, the professionals include the Deputy Director, CoE and PMO roles.
- Finally, the apprentices are defined as *"interns, and runners at early stages of their careers who are allowed to join the enterprise to perform mundane but necessary tasks."*

Table 4: Roles Critical to PBM Capability Development Routines

Focal Involved Actor	PBM Capability Development Routines (The most undeveloped routines are marked with an asterisk)
Director General	<ul style="list-style-type: none"> • Developing SROs Experienced in Civil Service PBM • Building a Compelling Narrative * • Developing a Culture of Continuous Improvement • Establishing and Maintaining a Mandate
Director	<ul style="list-style-type: none"> • Legitimising the PPM Specialism • Mediating between Policy and PPM Specialists * • Understanding Accountability and Scrutiny in the Civil Service • Integrating Business Planning across Organisational Units
Deputy Director	<ul style="list-style-type: none"> • Integrating Specialist Resources • Developing Benefit Realisation Management • Establishing a Management Framework • Leading and Motivating Teams During Rapid Change * • Developing Individual Careers
PMO	<ul style="list-style-type: none"> • Developing Robust Programme Management Office Services • Developing Directorate Learning Systems • Tempering Project Planning for Policy-Makers *
CoE	<ul style="list-style-type: none"> • Integrating PBM with Corporate Learning Systems

In this study, the analogous apprentices include the policy generalists and other staff members. The evidence from this study suggests that principals, professionals and apprentices all struggled to fully develop routines and successfully fulfil their roles.

Heavy demands were put on the Directors General, Directors and Deputy Director roles. They were involved with FBO and PBO. As functional-based and project-based forms of organising coexist, organisational project management capability

requires the ability to manage the membrane that exists between these two forms of organising (Acha et al., 2005). I noted that the allegiance of the Directors General, Directors and Deputy Director needed to shift towards project ways of working as the extent of PBO increased. The individual involvement of the Deputy Directors was greatest and hence the shift was most challenging for them. They had to become a *PBM* professional having been an *FBM* professional. This caused problems for individuals steeped in FBO and inexperienced with PBM and PPM. Individuals that were brought into these roles from outside the Civil Service managed better with PBM, but struggled with the functional-based Civil Service practices that they had to operate as well. While the PMO and CoE actors focused primarily on PBO, they could not ignore FBO either. In short, the inability of some of the involved actors to operate using both FBO and PBO introduced risks of failure to the organisational units.

1.5.4 Other Research Opportunities

As a result of each of the three research projects, other research opportunities were identified. Some research opportunities were acted upon and used to scope the subsequent study. Others were left unaddressed and a number of the key opportunities are summarised here.

Methodological Approaches

Other research opportunities derived from considering other methodological approaches. This exploration of PBM used an embedded case study that relied heavily upon semi-structured interviews and historical document analysis. This was an approach choice, given the research questions that I was considering. However, there are other research questions related to PBM that would benefit from other methodological approaches.

This thesis surfaced the importance of learning and knowledge development and the pace at which learning is done during PBM. It focused on the early phases of the NSRIP whereby learning was transferred into the programme and used. It might be useful to explore the creation and transfer of learning in and out of an organisational unit during PBM. One of the mechanisms for the transfer of knowledge as part of PBM is the *involved actor*. This suggests an opportunity to apply an ethnographic methodology to understand how the involved actors create, use and transfer learning between projects and organisations.

I identified a set of enablers and challenges of PBM during Project 2, some of which I designated as dominant (frequently and commonly identified). I grouped the enablers and challenges thematically and used them to create a capability development framework. These qualitative techniques were useful in producing insights into PBM. However, there is an opportunity to apply a quantitative methodology to understand the relative significance (dominance) of individual enablers and challenges, and the statistical correlations between them.

I also identified a set of routines used to develop PBM capability during Project 3, some of which I again designated as dominant. I then mapped these to the capabilities of FPBOs, PBM capabilities and dominant challenges. These qualitative techniques were useful for producing insights. However, there is an opportunity to apply a quantitative study to understand the relative significance (dominance) of individual routines and the statistical correlations between them.

Theoretical Considerations

Based on this study, there are particular theoretical considerations related SCS leadership, learning and the role of PMOs in the development of organisational capabilities that might benefit from further study.

The involvement of SCSs in creating organisational routines is integral to developing PBM capability. Historically, SCSs would commonly have their entire careers in the Civil Service. This is no longer the case. Many members of the Senior Civil Service have careers that span the Civil Service and other sectors. In fact, Greer (2007) noted that almost all executives in the DoH came from outside the Civil Service at the time of his report. The career paths are different and yet there does not appear to be a significant theoretical underpinning to inform how the career paths of the SCSs affect PBM. There may be an opportunity to create new theoretical considerations by investigating changing patterns and their impact on the modern Civil Service.

Learning across time and space is an integral part of developing PBM capability. This study focused on the early phases of the NSRIP which ended in 2011, as the political agenda shifted with the arrival of a new (coalition) government. New health policy priorities have superseded the previous priorities that were driving this programme. One might ask, "What remains of the PBM capability that was developed by the organisational units?" There does not appear to be a significant theoretical foundation that informs how PBM capability is retained in an organisation. There may be an opportunity to create new theoretical considerations by investigating the end of a major programme to examine how capability is sustained and how the degeneration of capability is prevented.

This thesis emphasises the importance of PMOs as facilitators of change and developers of capability. This phenomenon was recognised and supported by the addition of Portfolio, Programme and Project Management Offices (P3Os) to the Management Best Practice Guidance (Axelos, 2014b). In this study, multiple offices were operating at different levels across the organisational units and the parent organisation. There does not appear to be a significant theoretical foundation to describe how multiple interdependent P3Os act to effectively develop capabilities. There may be an opportunity to create new theoretical considerations by investigating multiple P3Os that coexist as part of a major public sector programme.

Research Target and Extensions

Other research opportunities emerge by targeting the research differently. Project 3 identifies routines that were developed in response to the dominant challenges of PBM in the Civil Service. Using a similar methodology to that used in this thesis, it may be interesting to investigate the routines that Civil Service organisations developed in response to these *non-distinctive* challenges. There may be an opportunity to extend the findings by targeting these other challenges. Project 2 identifies a set of challenges and enablers of PBM. Using a thematic analysis of all the results, I identified 17 organisational practices that I mapped into a PBM Capability Development Framework. Using a similar methodology to that used in this thesis, it would be interesting to investigate the dominant enablers and challenges of functional-based management. There may be an opportunity to extend findings by comparing and contrasting functional-based results with the findings of this thesis.

This studied focus on public management and project management as it relates to the UK public sector and British Civil Service. Other governments in other jurisdictions will have other bodies of knowledge, other approaches and other traditions. It would be useful to consider similar questions in a North American or European country for instance, in order to compare and contrast findings and insights.

Generalisation and Context

Other research opportunities emerge from generalising the findings into other contexts. This thesis highlights distinctive considerations of projectification in the Public Sector. It identifies three key factors that provoke Civil Service organisational units into adopting PBO: quick mobilisation, a strategic approach to managing change, and accountability and transparency to stakeholders. The thesis identifies routines that were developed in response to the dominant challenges of PBM in the Civil Service, such as developing a compelling narrative and tempering project planning to accommodate policy specialists. What results is a PBM Capability Development Framework targeted at the Civil Service. Using a similar methodology to that used in this thesis, it may be interesting to investigate the key factors for adopting PBO, dominant and distinctive challenges and routines developed in response to these distinctive challenges in other public sector organisations. There may be an opportunity to generalise the findings by comparing and contrasting the results.

Practitioner Focus

Other research opportunities emerge by taking a practitioner focus.

This research identifies the relevance of Management Best Practice Guidance (Axelos, 2014a) and Departmental Capability Reviews (Cabinet Office, 2014a). It has also produced two capability development frameworks. With a practitioner

focus, it may be interesting to investigate how to convert the capability development frameworks into formal tools for assessing capability. There may be an opportunity to incorporate these tools into the Best Management Framework Guidance and Departmental Capability Review processes.

This research identifies the relevance of a Civil Service Competency Framework (Cabinet Office, 2014a) and SCS development. It has also described how roles were involved with developing routines in response to the distinctive and dominant challenges of PBM in the Civil Service. With a practitioner focus, it may be interesting to investigate how the roles are also involved with developing routines in response to the dominant challenges that are not distinctive to the Civil Service. There may be an opportunity to influence the defined expectations of roles reflected in the Civil Service Competency Framework (Cabinet Office, 2014b) and as part of SCS development.

How can the Civil Service ensure that PBO routines are readily available for organisational units to inherit when they need them? Inheritance of routines from the parent organisation was identified as a theoretical mechanism for developing routines. This study found some evidence of inherited routines, but it was not fully investigated. Further study of organisations that do this well and what it looks like might benefit other organisations.

What is the best way for Civil Service departments to recruit and train staff in organisational units to accommodate a shift from FBO towards PBO? The use of specialist skills is an integral part of developing PBM capability. This study pays particular attention to PPM and policy specialists, although there are other specialist roles identified as part of the Civil Service Competency Framework (Cabinet Office, 2014a). Based on this thesis, it became evident that the PPM profession is under-developed in the Civil Service relative to other professions. There does not appear to be significant theoretical underpinning to inform how professions develop over time in the Civil Service. There may be an opportunity to create new theoretical considerations by investigating the history of the development of finance, communication and IT professionals that have been created over recent decades.

1.6 Conclusions

Public projects are at risk of failing. This study explores projectification, the increased use of PBO, in public organisations. The study views success through the lens of organisational capabilities. This study adopts an interpretivist research paradigm supported by a constructionist epistemology, idealist ontology and abductive research strategy. It follows the Cranfield Executive Doctorate in Business Administration (DBA) methodology, employing a linking document that summarises three complementary research projects: a SLR followed by two studies that investigate the DoH during the early phases of the NSRIP. Project 2 considers projectification by exploring the PBM *enabling organisational practices* and challenges to developing PBM capability in the public sector. Project 3

considers the development of PBM routines over time. Findings are derived from over 250 academic literature sources, over 100 government publications or documents and 41 semi-structured interviews.

This study employs paradox resolving techniques that include: clarifying the unit of analysis, introducing new terms, taking time into account and considering accepting the paradox and using it constructively. This study clarifies the *organisational unit* as the unit of analysis; this means that both FBO and PBO are included in the analysis and the parent organisation exists as part of the context. During this thesis, terms such as the *nature of organisational forms, the development of capability, capabilities of FPBOs, FBO, PBO, the continuum of organisational forms, PBM, PBM strategy, Enablers of PBM (dominant), challenges of PBM (dominant and distinctive), PBO routines and involved actors* are used to explore projectification in the public sector.

1.6.1 Contextual Conditions of Projectification in the Public Sector

Established theory presents routines as stable organisational practices that are combined into capability which in turn produce competitive advantage for an organisation. In a public sector context, competitive advantage might be framed as *successfully deliver of policy intentions*, given that value is measure relative to policy intentions.

With the initiation of the NSRIP in 2009, the DoH faced delivering a complex innovative policy initiative faced delivering an initiative that was large and more complex than it had the capability to delivery. It adapted, increasingly using PBO. This scenario represents a typical case of a public organisation undergoing projectification. The study concludes that, as a typical case, the NSRIP demonstrated three particular contextual conditions for successful projectification: *maintaining accountability, improved accountability and transparency and a strategy approach to managing change*.

1.6.2 Capabilities that Support Projectification and PBM

The study concludes that successful projectification in the public sector depends on a double loop capability construction process, whereby PBM capabilities depend on an organisational unit's capability to create new organisational forms. Both sets of capability are necessary for projectification to succeed.

The study derived a set of seven capabilities of an FPBO:

- *Focusing on One-Off Complex Undertakings,*
- *Putting Specialism at the Core of Resource Management,*
- *Making Investment and Strategy Decisions in Advance of Project Initiation,*
- *Employing a Portfolio Approach to Value Creation,*
- *Coping with Extended and Complex Governance,*
- *Learning across Organisational and Temporal Boundaries, and*
- *Facilitating Organisational Change.*

In a project-matrix organisation in the public sector, *Making Investment and Strategy Decisions in Advance of Project Initiation* may need to be adapted, as value is determined collectively and on an ongoing basis. Also, the concept of a portfolio approach to value creation is only weakly supported by the enablers and challenges. Regardless, this study concludes that a holistic set of seven capabilities is required for projectification in the public sector.

Using the project, organisational and public management SLR in Project 1, the capabilities for creating an organisational form include:

- *Developing Routines at Pace,*
- *Maintaining Alignment across Organisational Levels,*
- *Co-producing with Stakeholders,*
- *Maintaining Proportionality, and*
- *Fostering Congruence between the Dimensions of Capability.*

In a mature organisation, these are available for organisational units to inherit.

1.6.3 Practices that Enable PBM in the Public Sector

Using the NSRIP as a typical case, this study concludes that PBM capability in the public sector is derived from routines constructed using 38 enabling organisational practices, with 11 being dominant (broadly and frequently identified by interviewees.) For a mapping see Appendix 7: Project 2 – Sources Identifying Enablers of PBM. The study identified, using NSRIP as a typical case, some PBM capability building organisational practices are challenging to develop in public organisations during projectification. The study concluded that there are 28 challenges of PBM capability, with 11 being dominant (broadly and frequently identified.) For a mapping see in Appendix 8: Project 2 – Sources Identifying Challenges of PBM.

Publicness Matters to Projectification

Based on the analysis it is evident publicness matters to projectification. The study identified ten enabling organisational practices and seven challenges that were distinctive to the Civil Service and five of each was dominant. The distinctive enablers and challenges affected all seven FBPO capabilities (see Appendix 8: Project 2 – Sources Identifying Challenges of PBM and Appendix 7: Project 2 – Sources Identifying Enablers of PBM.) Based on the set of distinctive enablers and challenges, this study demonstrates that publicness matters to projectification.

A Maturity Model Developed Using Dimension of Capability

The introduction to Project 2 (see section 2.2.1) reveals that project management maturity (PMM) models are inadequately conceived. Enablers and challenges identify organisational practices. Together, they highlight organisational practices that appear to be working well in some instance and not in others (as reflected in Appendix 9: Project 2 – PBM Capability Model (Enablers and Challenges)). The

study concludes with the foundations for a newly conceived PMM model with 17 organisational practices that were mapped across four dimensions of capability identified by Leonard-Barton (1992): values and norms (3 organisational practices), managerial systems (6 organisational practices), skills and knowledge (3 organisational practices), and technical system (5 organisational practices).



Source: author analysis

Figure 11: PBM Capability Framework: Summary of Practices

Figure 11 summarises the model and Appendix 9: Project 2 – PBM Capability Model provides full details. As a typical case, this model is proposed as framework for other public sector organisations.

A Maturity Model Developed Using Dominant Distinctive Challenges

In studying the dominant distinctive challenges of PBM in the Civil Service, Figure 12 was created to summarise 15 routines that are developed in response. Each of the 15 routines maps to a one of the PBM capabilities identified in Project 1, e.g. coping with extended and complex governance.



Figure 12: Public Sector Distinctive PBM Routines

Source: Author Synthesis

The study of projectification in the public sector has implications for management theory, management practice and research methods.

1.6.4 Contributions to Research

The SLR and case studies, as typical cases, confirm, challenge and add to theory about project, public and organisational management. Contributions are summarised below for each of the three research studies. Full details can be found at the end of the sections devoted to each of the three research projects.

Project 1

Project 1 explores projectification in the public sector by reviewing the literature that exists at the confluence of project, organisational and public management. The research considers the key themes in that literature, framing the insights in such a way that subsequent empirical analysis can be conducted. In doing so, this project emphasises particular terms and concepts including: *FBO*, *PBO*, *the continuum of organisational forms*, *FPBO*, *FFBO*, *Principles of Organising in the Public Sector*, *Public Organising Capabilities*, and *PBM Capabilities*. Confirmations, challenges and additions to theory are summarised in Table 5.

Table 5: P1 Contributions to Theory – Summary

What has been confirmed?	What has been challenged?	What has been added?
<ul style="list-style-type: none"> • Implication P1-R1: The relationship between FBO and PBO is not fully understood during projectification. Further study is required. • Implication P1-R2: This study describes a hierarchy of capability: organisational practices are matured into routines, routines support capabilities, capabilities are combined into competencies and competencies provide competitive advantage. • Implication P1-R3: A set of principles for public organising was derived: democratic engagement, transparency, hybridisation and societal transformation. • Implication P1-R4: A set of five capabilities of public organising was derived: <ul style="list-style-type: none"> ◦ <i>Introducing innovations driven by value defined by the collective,</i> ◦ <i>Navigating politicised decision-making processes,</i> ◦ <i>Managing the professional autonomy of the workforce,</i> ◦ <i>Coping with complex extended relationships, and</i> ◦ <i>Articulating value across organisational boundaries and time.</i> 	<ul style="list-style-type: none"> • Implication P1-R5: The project is not an appropriate unit of analysis for projectification, as PBO interacts with FBO in a parent organisation during projectification. A broader organisational unit of analysis is required. 	<ul style="list-style-type: none"> • Implication P1-P6: I defined a model for dynamic organising based on the construction, destruction and inheritance of PBO and FBO routines. The model can be used to describe projectification. • Implication P1-P7: I defined a set of capabilities for changing organisational forms: <i>Developing Routines at Pace, Maintaining Alignment across Organisational Levels, Co-producing with Stakeholders, Maintaining Proportionality, and Fostering Congruence between the Dimensions of Capability.</i> • Implication P1-R8: I defined a set of six capabilities of an FPBO: <ul style="list-style-type: none"> ◦ <i>Focusing on Innovative One-Off Complex Undertakings,</i> ◦ <i>Making Investment and Strategy Decisions in Advance of Project Initiation,</i> ◦ <i>Coping with Extended and Complex Governance,</i> ◦ <i>Putting Specialism at the Core of Resource Management,</i> ◦ <i>Learning across Organisational and Temporal Boundaries.</i>

Project 2

Project 2 explores projectification in the public sector by considering the benefits of using PBM and the underlying enabling organisational practices and challenged organisational practices of PBM in the Civil Service. This study emphasises particular terms and concepts including *enablers*, *challenges*, *dominant*, *distinctive* and *temporality*. Confirmations, challenges and additions to theory are summarised Table 6.

Table 6: P2 Contributions to Theory – Summary

What has been confirmed?	What was challenged?	What has been added?
<ul style="list-style-type: none"> • Implication P2-R1: The study demonstrated how the enablers of PBM support the six capabilities of an FPBO identified in Project 1. • Implication P2-R2: The study demonstrated how publicness matters to PBM, using ten distinctive enabling organisational practices and seven distinctive challenges to developing PBM capability in the public sector. 	Not applicable	<ul style="list-style-type: none"> • Implication P2-R3: This study identified a seventh capability of an FPBO, <i>Facilitating Organisational Change</i>. • Implication P2-R4: The identified PBM benefits <i>Improving Accountability and Transparency</i> and <i>The Ability to Mobilise Rapidly</i> complement the findings of the SLR, which identified two principles of organising in the public sector: accommodating the interests of the public (Olsen, 2006; Budd, 2007) and frequent organisational transformation (Dijksterhuis et al., 1999; Christensen and Lægreid, 2001b) • Implication P2-R5: PBM faced 28 challenges, of which 11 were dominant (commonly and frequently identified) and five were both dominant and distinctive to the Civil Service. The five distinctive challenges suggest that PBM is different in a public sector context. • Implication P2-R6: Developed a PBM Capability Development Framework with 17 organisational practices created by grouping the enablers and challenges of PBM and mapping them to dimensions of capability: value and norms, managerial systems, skills and knowledge and technical systems. (Leonard-Barton, 1990)

Project 3

This project explores projectification in the public sector by considering the development of organisational routines over time in response to the five dominant and distinctive challenges of PBM in the Civil Service: *Conflict Between Project Management and Policy-making Specialists*, *Continual Construction of Value and Purpose*, *Volatile Nature of Ministerial and Parliamentary Decision-making*, *Continual Review and Public Scrutiny*, and *Need to Have Other Civil Service PBM Experience*. A key output of Project 3 is a set of 17 distinctive routines. This project emphasises particular language, including: routines, under-developed, parent organisation, inheritance, history, pace, and involved actors. Confirmations, challenges and additions to theory are summarised in Table 7.

Table 7: P3 Contributions to Theory – Summary

What has been confirmed?	What was challenged?	What has been added?
<ul style="list-style-type: none"> • Implication P3-R1: The organisational units had to develop PBM capability when only FBM capability existed. PBM is an organisational form that is both the agent and objective of change. (Pellegrinelli, 1997; Pellegrinelli et al., 2007; Pettigrew et al., 2001; Winch et al., 2012) • Implication P3-R2: The impetus for change is not always strong enough to overcome existing professional norms of behaviours (Hodgson, 2004). This study highlights routines that are under-developed, even after many years. • Implication P3-R3: Capability development is a dynamic process. Temporality is important and needs to be considered (Leonard-Barton, 1992; Pettigrew et al., 2001). 		<ul style="list-style-type: none"> • Implication P3-R4: Context (i.e. publicness) matters to change (Pettigrew et al., 2001; Söderlund, 2004). This project synthesised a large volume of empirical data to produces a set of 17 distinctive routines that are developed in responded to five dominant distinct challenges to developing PBM capability (Figure 12.) • Implication P3-R5: This project synthesised a large volume of empirical data to identify the five focal involved actors involved with the development PBM routines, which routines they were involved with and how successful they were in developing routines. The results demonstrated the need for collaborative working to developing PBM capabilities.

1.6.5 Contributions to Practice

In exploring projectification in the public sector, this thesis considered organisational practices that are relevant to projectification in the public sector. In doing so, it emphasises a particular set of organisational practices that are relevant to other Civil Service Departments and public organisations, including:

- Departmental Capability Reviews,
- Professional Development for PPM specialists, policy specialists and Senior Civil Servants (SCSs),
- Organisational learning and capability development,
- Role of the PMO, and
- Programme Maturity Models.

Project 1

This project produces a thematic review of the literature at the convergence of three fields: organisational forms in public management, capability to manage projects and public project management. The themes considered organisational practices relevant to PBM. Two important challenges to projectification emerge: the conception of how to create PBM capabilities and the consideration of the *publicness* of an organisation. Other practices have been confirmed, challenged or added to. A summary of the contributions to practice by project 1 are summarised in Table 8.

Table 8: P1 Contributions to Practice – Summary

What has been confirmed?	What has been challenged?	What has been added?
<ul style="list-style-type: none"> • Implication P1-P1: Historically, project management has been restricted to the domain of policy implementation. More recently, project strategy has been considered is a bi-directional process that informs the parent organisation and the projects. Because policy-making cannot be compartmentalised into policy development and implementation, it follows that project strategy (and other organisational practices) should be incorporated into the entire policy-making process. 	<ul style="list-style-type: none"> • Implication P1-P2: Given the identified limitations, the existing PMMs should be used cautiously as they are inadequate for measuring capabilities. • Implication P1-P3: The previous departmental capability review framework was limited and, if it continues to be used, should be augmented to explicitly consider PBO capabilities. 	<ul style="list-style-type: none"> • Implication P1-P4: Publicness matters to project management. Policy and project management practitioners need to consider organisational practices that are not found in generic project management guidance. • Implication P1-P5: Currently, the PMO is not conceived of as a facilitator of change. The creation of capabilities during projectification and programmification is complex. Given the process takes longer than most individual projects' lifetime, the facilitating actor exists outside individual projects. The study suggests that PMOs should play this role.

Project 2

Project 2 identifies the enabling organisational practices and challenged practices of PBM in a recently developed project-matrix organisation. A summary of the contributions to practice by project 2 are summarised in Table 9.

Table 9: P2 Contributions to Practice – Summary

What has been confirmed?	What has been challenged?	What has been added?
Not applicable	<ul style="list-style-type: none"> • Implication P2-P1: The role highlights the important role of the PMO, as a facilitator of organisational change and capability development it is underdeveloped. Practitioner education in this area is evidently needed. • Implication P2-P2: Policy and PPM specialists experience conflict during projectification. The study proposes that new entrants receive support to understand the four principles of public organising: Democratic engagement, Transparency, Hybridisation and Societal transformation. Training and induction should be made available to new people. • Implication P2-P3: The study identified how structure collaboration within the leadership team is an area of deficiency. Several organisational practice areas that are important, but face challenges, include corporate level portfolio management and the development of a unified management system. • Implication P2-P4: The study highlighted how the PPM Specialist profession is not well supported. For example, the learning system is inadequate. By its nature, PBO needs to be an industry (i.e. Civil Service-wide) system. Insights from this study may be helpful to Civil Service reform initiatives in this area. 	<ul style="list-style-type: none"> • Implication P2-P5: Departmental Capability Development models have been criticised as being incomplete. The study defined a PBM Capability Development Framework that is created by grouping particular enablers and challenges PBM capability into organisational practices and mapping them to Leonard-Barton's (1990) dimensions of capability. This could inform major project and Departmental Capability assessments. • Implication P2-P6: Publicness matters. A set of enablers and challenges were identified, which the Cabinet Office might consider when next updating their best management practice guidance.

As a typical case, practical observations are made on how the DoH coped with a major policy-implementation undertaking. One practical output of Project 2 is a PBM Capability Development Framework that is created by grouping particular enablers and challenges of PBM into organisational practices and then mapping these to Leonard-Barton's (1992) dimensions of capability (see Figure 11.) The framework could be adapted into a tool for assessing PBM capability and for formulating organisational improvement plans, similar to those used by practitioners implementing the IPPD Report (discussed in section 1.1.2.) In addition, practitioners are also given a description of enablers of PBM and challenges of PBM that are dominant (common across roles) and role-specific.

Project 3

In exploring projectification in the public sector, this project produces a PBM Capability Framework that summarises the relationship between capabilities of FPBOs, PBM capabilities, dominant challenges and the routines developed in response. This study highlights routines that are under-developed, even after many years, and the focal, involved actors. As a typical case, it suggests organisational practices that require special attention in public organisations faced with implementing policy initiatives and needing to develop a PBM capability in response. A summary of the contributions to practice by project 3 are summarised in Table 10.

Table 10: P3 Contributions to Practice – Summary

What has been confirmed?	What has been challenged?	What has been added?
Not applicable	<ul style="list-style-type: none"> • Implication P3-P1: The Management Best Practice Guidance (Axelos, 2014a) The suite of Cabinet Office best management guidance should be revised to consider: Multi-level (embedded) contexts, history and pace, PBM as both the agent and object of change, and The need for specialist roles and mediating between them. • Implication P3-P2: The Policy and PPM skills identified in the PSG Framework should be revised to consider the identified routines and focal roles involved. • Implication P3-P3: The research provides empirical evidence that the Departmental Capability Review Programme would benefit from considering the five dominant challenges of PBM and incorporating assessments of the associated routines in the regime. 	<ul style="list-style-type: none"> • Implication P3-P4: Routines are required to respond to the five dominant challenges of PBM in the Civil Service. When initiating new programmes of work, the strength of these routines should be assessed and, where necessary, steps taken to consider how to strengthen the routines as quickly as possible. • Implication P3-P5: Directors General, Directors, Deputy Directors, PMOs, and Centres of Excellence. Of particular concern is the role of the Deputy Director, which appears to have been struggled with the most. Leadership and Professional Skills for Government (PSG) should consider the roles focal to developing particular routines. • Implication P3-P6: Leadership training in the Civil Service should consider and address the inter-specialist conflict that is encountered during projectification.

1.6.6 Implications for Research Methods

As a case study of the development of organisational capabilities in the Civil Service, it establishes a rigorous methodology. It offers an exemplar for studying capability in organisations and in particular the public sector. Project 1 and 2 do not make contributions to research methods. However, Project 3 makes a minor contribution.

Project 3

The empirical research explored the development in the Civil Service over time. The purpose of this section is to suggest implications of the conclusions of the study for the research methodology. This study attempted to adopt process thinking as organisational strategy researchers. According to Langley (2007:271), *“process thinking involves considering phenomena dynamically”* over time. By its nature, contrary to using archival databases, process research is more time-intensive. Langley suggests that it requires the attention of senior scholars due to the complexity of strategy as practised in the field. As a typical case, it provides an example of the utility of the processual research method for investigating temporal research questions. A summary of the research methods by project 3 are summarised in Table 11.

Table 11: Contributions to Research Methods – Summary

What has been confirmed?	What has been Challenged	What has been added?
Implication P3-M1. The research provides an example of processual research Langley (2007).	Not applicable	Not applicable

I believe this thesis demonstrates the usefulness of processual research and may provide a roadmap for other processual research.

1.6.7 Personal Reflections

At the end of the development of this thesis, I am able to reflect on the research from different perspectives. The first point of reflection is on my role as a researcher and how this might have influenced findings.

I took an interpretivist approach to this research. According to Blaikie (2000:101), the logic of interpretivism implies an abductive research strategy with the aim of describing and understanding social life by discovering concepts, meanings and motives develop a theory and test it iteratively. The presumption is that actors have interpreted or are interpreting the social world and my role is to engage with them. The presumption is also that participants, including me, are reflective. I tried to allow the results to be derived through unbiased structured and robust methods (the length of the thesis is a result). However, I worked in the DoH, the organisation that I studied, and continue to work in the areas of public, organisational and project management. These provided great advantages for understanding and access to data. At the same time, my experiences and views had

to affect the interpretation of data and the development of findings. Periodically, I did discover personal biases creeping into the analysis, results and conclusions. I tried to be aware of this happening and mitigate the effects. It would be naive to think that none remains.

Reflecting on the methodology, I recall the debates held during the residency days for my DBA cohort about the utility of the SLR. Some of the cohort members immediately opted to use this approach and some were reticent. At the beginning, I was not convinced and avoided using it. Instead, I read broadly and enjoyed exploring the literature. Eventually, this left me with the dilemma though. How was I going to condense what I had discovered into a sensible literature review? The SLR methodology gave me a tool for structuring my thinking. After floundering through this phase, I am convinced of the value of a systematic approach. It was particularly valuable for me as a part-time student working full-time. The rigour of the methodology allowed me to pick-up and put-down the research with less discontinuity.

The research of organising using projects in the public sector, exposed me to several facts. A large portion of the literature about public and project management is practitioner-based. I had to read well beyond the academic journals and consider the knowledge in practitioner guidance, reviews, audits and parliamentary papers. I hope that I have done justice to discovering and using the knowledge made available by some outstanding academics in the fields I was researching.

On a personal level, the development of this thesis has been a long journey for me. Faced with personal and worked commitments beyond my control, I have taken many years to complete this work from the time I started my doctoral programme at Cranfield University. I recall the advice I was given early in the programme to avoid changes at work and home, to stay focused on the research and move through the work quickly. This simply was not possible for me. During my studies, I lived in three different homes, changes jobs three times, dealt with an ailing father, in another country, who has since passed away and tried to maintain some semblance of a home life with my partner. These pressures compounded by the daily demands of a life and a senior management role meant I faced disruptions, which affected the continuity of my research. I have thoroughly taxed the patience of my supervisory panel and others at the Cranfield School of Management.

Regardless, the journey has offered tremendous rewards. With the strong support of the faculty and administration at the Cranfield School of Management, I have thoroughly enjoyed the opportunity to explore new ideas relevant to my work and to develop research skills. I have had a chance to think and be with people that like to think. Importantly, I can partially credit my doctoral research to the fact that I am now working as part of an Academic Health Science Centre that includes a major academic institution and one of the largest teaching NHS Health Trusts in the UK. As such, I am well positioned to exploit the research skills and specific knowledge that I have developed.

At the end of this doctoral programme, I feel more confident as a researcher and practitioner. I am certainly a more reflective practitioner than I was before I started this doctorate. I am more aware of research philosophies and now embrace research approaches that I would have dismissed previously. I am more aware of how to develop and use evidence. I am more aware of academia and how it operates. I have much more to learn. I look forward to what comes next.

1.6.8 Dissemination

The dissemination of knowledge is a critical part of doctoral research. I have had the opportunity to disseminate knowledge that I have developed during the course of my doctoral research. In particular, I have been involved with authoring, reviewing guidance and textbooks, mentoring authors and presenting to practitioners and researchers. Although the outputs have not been articles to academic journals, I have used critical channels for disseminating the kind of knowledge explored by this research. The specifics are listed here for reference.

Cabinet Office Suite of Best Management Guidance:

- OGC Risk Management Guidance for Practitioners (2007) – co-author
- OGC Managing Successful Programmes (2007) – mentor to authoring team, reference group member
- OGC Portfolio, Programme and Project Management Maturity Model Guidance, Version 1.0 (2007) – design group member, reference group member
- OGC Portfolio, Programme and Project Office (2008) – reviewer
- Managing Successful Projects with PRINCE2 (2009) – reviewer
- OGC Portfolio, Programme and Project Management Maturity Model Guidance, Version 2.0 (2010) – reference group member
- OGC Risk Management Guidance for Practitioners (2010) – reference group member
- OGC Managing Successful Programmes (2011) – reference group member, design and review group member

Civil Service Reform Policy:

- Cabinet Office – Innovation and Risks: A Recipe for Improving Performance, a White Paper (2007) – review team member, co-researcher
- Cabinet Office – Machinery of Government Change – A Handbook to Support Departments in Their First Days, Weeks and Months, a White Paper (2010) – review team member, co-researcher

Project Associations Conferences and Seminars:

- Risk Decisions User Conference – Risky Business: A Case Study from Central Civil Government (2007) – presenter
- Best Practice Showcase – The benefits of risk, seeing risks as opportunities (2007) – presenter, session facilitator
- ProgM – The Challenges of Developing a Project-Based Organisation in Whitehall (2008) – presenter
- Best Practice User Group Middle East – Management of Risk (2009) – presenter
- Best Practice User Group International Plenary – Managing Successful Project Delivery (2009) – presenter

Project-based Text Books:

- Benefit Realisation Management – a Practical Guide to Achieving Benefits Through Change, Gower (2010) – reviewer (unacknowledged in credits)

Looking forward, I will begin to publish in project, public and organisational management academic journals. To serve this end, I now have an academic relationship with King's College London as part of my employment contract and I have started scoping several academic papers related to change programmes in the National Health Service with my academic colleagues. I also have academic colleagues at Cranfield University and the University of British Columbia with whom I hope to develop academic papers.

I will continue to disseminate through practitioner channels. I have approached colleagues at the Cabinet Office to consider how I can contribute to Civil Service reform policy including policies affecting Professional Skills for Government, OGC Gateway Reviews, the Departmental Capability Review Programme, SCS development and inter-departmental learning systems. I am re-engaging with colleagues at the APMG and Best Practices User Groups to review opportunities for influencing their guidance and practice. Finally, I have made inquiries with PMI and APM, Project Management Associations, to discuss opportunities for speaking at their conferences and London chapter meetings.

2 Project 1 – A Systematic Literature Review

2.1 Abstract

Purpose: This study explores existing knowledge regarding projectification, the increased use of project-based organising (PBO), in public organisations, using the lens of organisational capabilities.

Research Design: This study considers the phenomenon using a systematic review of the literature. It adopts an interpretivist research paradigm, supported by a constructionist epistemology, idealist ontology and abductive research strategy. The research strategy is operationalized using a systematic literature review (SLR) methodology of the literature at the convergence of three fields of knowledge: public, project and organisational management. 226 articles are identified using a structured quality assessment of articles found by keyword driven searches of academic literature databases, complemented with other references, including books and government documents. The identified literature was synthesised to identify key concepts, gaps and opportunities for future empirical research.

Findings: This study describes a hierarchy of capability: organisational practices are matured into routines, routines support capabilities, capabilities are combined into competencies and competencies provide competitive advantage. The study distinguishes between the '*capabilities required to change*' organisational form and the '*capabilities of*' an organisational form. The study identifies sets of capabilities for a FPBO, public organising and changing organisational form.

Researcher Implications: The study synthesises heterogeneous fields of knowledge, providing an integrated theoretical foundation for projectification in public organisations. The study proposes how publicness matters to projectification. It identifies opportunities for future research: the relationship of the project-based organisation to the functional-based parent organisation during projectification, the relationship between PBO and public organising capabilities, the organisational practices that are involved with creating PBO capabilities in public organisations and a reconceptualization of project maturity models based on PBO.

Practitioner Implications: The study suggests how publicness should be considered during PBO and how PBO should be considered more broadly during policy-making. It highlights that the PMO can act as a facilitator of organisational change, the current project maturity models should be used cautiously and PBO capabilities should be considered within the departmental capability review framework.

Key words: projectification, project-based, organisational form, public sector, civil service, capability, success, routines, actors, PMO, practices, inheritance, pace

2.2 Exploring Public Project Success

If it is so difficult for projects to succeed and they are prone to fail, then why use projects? The share of work managed using projects relative to non-project work has risen in almost every organisation and industry (Shenhar and Dvir, 2007:3). There is something attractive about managing and using projects. Practitioners are choosing to use projects and they are an increasingly important feature of the modern organisation. It is important to understand how to improve the likelihood of public project success rather than seek to omit their existence. To consider public project success, there are three topics to explore in more detail:

- Perspectives of project success,
- The public sector context, and
- Project success in a public context.

2.2.1 Perspectives of Project Success

Project management emerged as a recognised field of theory and practice in the late 1950s and was subsequently influenced by the operational research (Hodgson and Cicmil, 2006:4). At the time, it was primarily concerned with process planning and control, and the concept of project success was tied to concerns with the triple constraints of time, cost and quality, i.e. *The Iron Triangle*. According to Packendorff (1995:323), “*When it comes to project evaluation, the normative theories, otherwise so abundant, are conspicuous by their absence*”. When projects are successful, we do not fully know why they ‘go right’ and how to repeat successes, nor is it clear why they ‘go wrong’ or fail. Several researchers recognised the gap and investigated project success and failure (Bryde, 2005; Cooke-Davies, 2002; Shenhar et al., 2001; 2002). Unfortunately, project theory at this time continued to be bound by “*the traditional triple constraint criteria*” (Söderlund, 2004:189) of ‘*The Iron Triangle*’.

Beginning in 2004, several different cadres of academics collectively revisited the foundational assumptions of project management under various banners: *rethinking project management* (Winter et al., 2006), *reinventing project management* (Shenhar and Dvir, 2007) and *making projects critical* (Hodgson and Cicmil, 2006). Cicmil and Hodgson (2006:114), for instance, questioned the “*presumption of rationality in decision-making and control*” surrounding projects; “*it is increasingly apparent that accepting and applying such orthodoxy does not eliminate project failures, nor does it guarantee project success*”.

The OGC Gateway Review™ reporting process, introduced in February 2001, illustrates a potential danger of the orthodoxy. Results from the reviews were analysed and synthesised into a set of deemed successful categories. These were improving planning, risk management, benefit management, leadership, governance, and the availability of experienced project management resources. The UK’s tax-credit project passed its OGC Gateway Reviews™ “*with flying colours*” (The Economist, 2003) and, yet, an estimated £2 billion was overpaid, while other payments were delayed for weeks.

Taking a novel approach to project success, Maylor et al. (2006) studied the increased use of projects, a process termed *projectification*, during the period 1996 to 2006. Maylor et al. (2006:663) observed, “*The novelty was not in the trend to organise work through projects, but in the organisational changes that accompanied this trend.*” They concluded that the definition of a project has been extended and that a broader conception of projects in organisations is required, introducing the concept of *programmification* i.e. using programmes and portfolios of programmes as an approach to managing. Programmification is framed within a project-based conception of organising, defined using various terms including the *project-based enterprise* (DeFillippi and Arthur, 1998), *project-based organisation* (Hobday, 2000), *project-based firms* (Gann and Salter, 2000) and *project-based management* (Martinsuo et al., 2006).

Maylor et al. (2006:669) claim that one method of determining the depth of projectification is through evaluating the maturity of the organisation in project management terms. The concept of maturity models has emerged since 1987. The ‘parent’ of the majority of maturity models is the Capability Maturity Model developed by the Software Engineering Institute at Carnegie Mellon University. This model began with a relatively simple questionnaire and has evolved into a sophisticated model used internationally as its use increased (Paulk et al., 1995). The Cabinet Office suite of best practice includes the Portfolio, Programme and Project Management Maturity Model (OGC, 2008b). These and the other maturity models are founded on the assumption that there is a causal link between projectification, project management maturity and success. However, Maylor et al. (2006:669) caution against the unrestricted use of PMM models, “*The causal links with improved organisation performance are yet to be established.*”

After analysing the history of failure of a substantial set of projects, Morris and Pinto (2004:xvii) concluded that delivery success is not determined so much just on the processes needed to deliver projects, i.e. to scope, in budget and on schedule, but by the capability to develop and use projects, which Morris (1997) termed “*management of projects.*” With management of projects, the project becomes the unit of analysis, rather than the project management processes and organisational success becomes central in this paradigm. This leads to the first literature review question for this study:

RQ1. What capabilities are required for the successful management of projects?

2.2.2 The Public Sector Context

This study explores the nature of the public sector and how it affects project delivery success. Since the modern British Civil Service was founded with the *Report on the Organisation of the Permanent Civil Service* (Northcote and Trevelyan, 1854), there have been continued cycles of reforms to the public sector. The Northcote-Trevelyan model itself took multiple cycles of commissioned reviews over many decades. A recent period of reform started with the Fulton Report to the

Committee on the Civil Service (Fulton, 1968), which followed the Treasury failures to manage macro-economic issues. Concerns with poor management and efficiency led to the Financial Management Initiative and introduced the Finance Profession as an innovation for the Civil Service (Heath, 1970; Rayner, 1982). These reforms concentrated on private sector styled performance assessment, appraisal, revaluation, measurement and indicators (Pollitt, 1986).

Britain joined a cadre of western countries, including Australia, New Zealand, Canada and USA, that embraced New Public Management (NPM) in the late 1980s (Aucoin, 1990; Hood, 1991). This fuelled another series of reforms (Cabinet Office, 1999a; Jenkins et al., 1988; Gershon, 2004). At its core, NPM promoted the use of private sector practices in the public sector, making it look and act more like the private sector (Dunleavy and Hood, 1994). The principles of NPM (Barzelay, 2001; Denhardt and Denhardt, 2000; Ferlie et al., 1996; Moore, 1995; Osborne and Gaebler, 1993; Pollitt, 1990; Rhodes, 1994) can be summarised as:

- Unbundling the public sector into *corporatized* units organised by product,
- More competitive provision, with internal markets and term contracts,
- Emphasis on private sector styles of management practice,
- Emphasis on greater discipline and frugality in resource use,
- More emphasis on hands-on professional management in the public sector,
- Explicit measurable standards of performance and success, and
- Greater emphasis on output rather than input controls.

One effect of NPM was *managerialism*, defined by Uhr (cited in Dixon et al., 1998:166) as “*the pursuit of a results-oriented system of government management through streamlined processes of decision-making designed to allow greater autonomy but also greater responsibility of the field or programme manager.*” The managerialist ideology encourages the use of discrete delivery units to improve efficiency (National Audit Office, 2001a). In its application, it led to the streamlining of the policy-making core in Whitehall by moving the administrative aspects of government out of central civil government into quasi-autonomous government organisations (quangos) and agencies (James, 2001; Jenkins et al., 1988). In 1979, the number of public bodies peaked above 2100 with cumulative expenditures totalling £6 billion (Cabinet Office, 2001). By 2014, the number of bodies reduced to 450, but cumulative expenditures rose above £23 billion (Cabinet Office, 2014c). Although changes in the number of bodies and their size have occurred, it is evident that quangos are a feature of the modern public sector.

The NPM ideology was embedded in the policies of the New Labour government, formed in 1997 (Cutler and Waine, 2000; Denhardt and Denhardt, 2000; Ferlie et al., 2008; Martin, 2002). During this period there was a focus on improving the effectiveness of policy-making, “*the translation of government's political priorities and principles into programmes and courses of action to deliver desired changes*” (National Audit Office, 2001b:1). There was a particular emphasis on ‘*policy implementation*’, to counteract the historical emphasis on ‘*policy development*’ (Cabinet Office, 1999a; 2003; 2005; Centre for Management and Policy Studies,

2001). PPM was encouraged during policy implementation (Cabinet Office, 2002; OPSR, 2002; 2003).

The promise of NPM was alluring to policy-makers, but can private sector practices be applied so directly to the public sector? Dixon et al. (1998:169) indicate that there are difficulties in fully implementing the managerialism in the public sector, as “*authority in the public sector is more dispersed, political decision makers do not always share common objectives and values, and finally, executives may not have the opportunity, ability or willingness to learn from the outcomes of past decisions.*” NPM reforms introduced paradoxes, with a paradox defined as the “*simultaneous presence of contradictory, even mutually exclusive elements*” (Quinn and Cameron, 1988:2) or “*outcomes and developments that are unexpected, unintended, or contrary to received belief*” (Hood and Peters, 2004:269). Norman and Gregory’s (2003) “*production paradox*” is one example, whereby applying a production approach to public services to clarify accountabilities may blur accountabilities as activities and the results are not always readily observable. Maor’s (1999) “*managerial paradox*” is another example, whereby attempting to depoliticise public management by assigning more direct responsibility for public service provision to an appointed manager can have the opposite effect, with politicians intervening more directly in some areas, such as hiring and firing of managers, to avoid loss of control. Hernes (2005) “*accountability-service paradox*” describes the conflict of simultaneously promoting accountability and service, with the former inferring distance and objectivity and the latter inferring closeness and subjectivity.

NPM was adopted as a result of “*ideological commitment*” rather than a desire to adopt “*best practice*” that improves efficiency and effectiveness (Brown et al., (2003:239). Have public project failures resulted because fundamental principles of public organising were not accommodated? There has been a noticeable lack of serious studies of public sector capabilities and competencies (Dunleavy and Hood, 1994). Have the distinctive capabilities that manifest these principles been identified and made explicit? These questions have not been fully addressed, which leads to the second literature review question:

RQ2. What is distinct about organising in the public sector?

2.2.3 Project Success in a Public Context

Finally, this study is concerned with the realities of project success in a public context. Researchers investigating public projects have studied *major projects* (Morris and Hough, 1987), *large projects* (Miller and Lessard, 2000) and *megaprojects* (Flyvbjerg et al., 2003; van Marrewijk, 2007). These projects are defined by the fact that they are complex, high-cost, span many years and related to publicly funded infrastructure (e.g. military, air, roads, rail, information technology systems) or public system transformation (e.g. organisation creation, merger or restructuring, etc.). As such, they are of particular interest to citizens.

The Parliamentary Office of Science and Technology (2003:4) states, there are “*differences between ... projects in the public sector and the private sector,*” highlighting accountability, publicity and the political environment as areas where the public sector requires distinctive capabilities. As such, one might expect different management approaches to exist or at least be considered. However, the Cabinet Office suite of best management practice, which includes guidance such as PRINCE2 and OGC Gateway Review™, neither distinguishes any differences between practices in the private and public sector organisations. The public sector and government are mentioned in the Association of Project Management Body of Knowledge, but distinct practices are not evident. The Project Management Institute does have a government extension to its Project Management Body of Knowledge (Project Management Institute, 2002), but it is limited because it is designed primarily to support government procurement contracts. A broader exploration of theory is required. This leads to the third and final literature review question:

RQ3: What distinctive practices are used to deliver public projects successfully?

2.3 Research Process

Problems with public projects continue and deeper insights into the nature of public projects are required. This section begins with a literature review that identifies key terms and definitions, seminal sources, foundational concepts and how they are organised, epistemological and ontological grounds for the discipline, major issues and directions for further research. Potential literature was first identified between January and September 2008. The identified literature was revisited between February and June 2014 and updated, ensuring it was aligned with the subsequent empirical studies and that quality literature added since the initial searches was considered. This section summarises the research process used to investigate further.

2.3.1 Search Questions and Fields of Literature

As identified in the preceding section, project 1 of this thesis explores three constituent literature research questions. According to these questions, there are three fields of relevant management literature: project, organisation and public management, as illustrated in Figure 13. This logic is used as the framework for investigating theory found in existing literature.



Figure 13: Scope of Research

2.3.2 Research Strategy

Project 1 is a study of existing knowledge. The review questions are informed by literature coming from disparate fields. Identifying and then integrating the relevant literature around the questions are critical steps. There are various traditional methods of literature-based inquiry that might be used. Denyer and Tranfield (2006:216) note that traditional literature reviews have been criticised because the “*determination of which studies are to be included in the review and the appraisal of study quality can be subjective. Such reviews are often partial and rarely include all studies relating to a particular issue.*” The SLR distinguishes itself from other types of literature review by adopting a “*replicable, scientific and transparent process that aims to minimize bias through an exhaustive literature search of published and unpublished studies and by providing an audit trail of the reviewer’s decisions, procedures and conclusions*” (Tranfield et al., 2003:209). Transparency and quality assessment are features of the approach.

The SLR, like all methodologies, has limitations. It was originally used in natural science to integrate quantitative studies, promising comprehensiveness and comparability. Hammersley (2001:545) cautions that the SLR assumes “*positivist model of research*” that includes explicit criteria to select ideal literature. However, positivist methodologies have received much criticism over the decades, particularly in the social sciences. Hammersley and other critics argue that it may not be transferrable to the social sciences and that it is unable to cope with variations in study design, populations, context and analysis (Denyer and Tranfield, 2006:217).

Acknowledging its limitations, the SLR methodology was employed in this study given its advantages, including the potential to support a wide range of meaningful qualitative synthesis techniques, including “*narrative synthesis,*” whereby “*narratives from individual studies are built into a mosaic or map*” (Denyer and Tranfield, 2006:219) and “*realist synthesis,*” whereby the theories underpinning a study are extracted followed by “*attempts to verify, falsify or refine [...] theory using the available evidence*” (Denyer and Tranfield, 2006:221). To address the limitations of an overly positivist approach to searching databases and assessing articles, personal judgement was used during quality assessment. For example,

some sources that were excluded by the rigorous application of the quality assessment were included and some additional sources were added.

The SLR method is described below according to four steps:

- Identifying Preliminary Concepts, Theories, Models and Forms
- Identifying data source types and forms,
- Selecting data sources, and
- Synthesising the shortlist of literature.

2.3.3 Preliminary Concepts, Theories, Models and Forms

Prior to conducting Project 1, a scoping study was conducted, exploring the preliminary research question, “*what determines project success in the public sector?*” By iteratively searching for articles and then following the references both forward and backward in time (i.e. snowballing or chaining), potentially relevant literature was identified. A preliminary set of concepts, theories, models and forms emerged - including *New Public Management* (NPM), *capability*, *management of projects*, and *project-based management* (PBM) - were identified in the fields of public, organisational and project management. This provided a starting point for this study.

2.3.4 Data Source Types and Forms

Data source types and forms were identified to complement the research methodology. Three databases were used to identify potential literature: ABI Inform Complete and E-Journals (ABI Inform, 2014), EBSCO e-journal (EBSCO Host, 2014), Emerald e-journals (Emerald Insight, 2014). ABI Inform and EBSCO are widely used for business research and formed the core of the searches. Emerald e-journals contain some project management journals that are not indexed by either ABI Inform or EBSCO. Social and Behavioural Sciences e-journals (Science Direct, 2014) and Social Sciences Citation Index (Web of Science, 2014) were used for the 2008 searches. They were not used in the 2014 search. After reviewing the results of searches, it was evident that these databases were redundant.

Table 12: Article Inclusion - Literature Search Strings

RQ1: What Capabilities are Required for the Successful Management of Projects?	
And	(capabilit* or competenc* or maturity or typology or mechanism* or attribute*)
	((project n1 based) or (project n1 oriented) or temporary or multi-project or (multiple project) or (complex* n1 product*)) n1 (organi* or manag* or firm* or enterprise or work* or form)
RQ2: What is Distinctive about Organising in the Public Sector?	
Or	(compar* or contrast* or paradox* or critique) and (managerialism or post-NPM or "new public management")
	("public management" or "public administration") and ((organi* n0 manag*) or (organi* n0 form))
RQ3: What Distinctive Practices are Used to Deliver Public Projects Successfully?	
And	("public project" or "major projects" or "mega-project")
	(criteria or factor or framework or practices or routines)
	(success or failure)

'?' is a single character wildcard. It was used to accommodate British and American spelling

'*' is a truncation wildcard to allow for multiple endings to the word

nx is a code indicating that the adjoined words need to be at least 'x' words apart regardless of the order

Searches of the three selected databases were conducted using key words combined using Boolean logic into search strings that were applied against the abstracts, key words and title of articles to identify potentially relevant literature. The keywords used in the search strings were derived using the three research questions and modified using key words used in articles that were relevant to the research questions. An iterative approach was used to refine the keywords and associated Boolean logic, including the use of wildcards: search strings were applied, the resulting articles were reviewed for appropriateness and then the search strings were revised to better encapsulate articles of interest. The final set of search strings is listed in Table 12.

When the search strings were applied to the sources, inclusion limiters were applied using the rationale identified in Table 13. During the development of inclusion limiters, the effect was reviewed to ensure that important literature, identified during the preliminary investigations, was included.

Table 13: Article Inclusion – Limiters

	Inclusion Limiters	Rationale
IC1	Scholarly: articles from academic journals that have been peer reviewed, academic books and academic conference proceedings.	The quality of the methodology, findings and conclusions is expected to be higher.
IC2	Publication Type: academic journal, case study and government document.	Relevant theory and empirical studies are more likely to be found in these publication and methodologies and findings are more likely to be critically assessed.
IC3	Document Type: article, book entry, case study, proceedings and report.	Relevant documents.
IC4	Language: articles in English.	Most research on this topic is published in English.

At the same time, exclusion limiters were applied. The rationale for these choices is identified in Table 14. During the development of exclusion limiters, the effect was tested to ensure that only unwanted literature was excluded. Using the three literature search strings and both the inclusion and exclusion limiters resulted in a total of 825 potential papers.

Table 14: Article Exclusion - Limiters

	Exclusion Limiters	Rationale
EC1	Scholarly: articles that are not from academic journals and have not been peer reviewed.	The quality of the methodology, findings and conclusions is expected to be lower.
EC2	Publication Type: country report, grey literature, law, market research, newspaper, periodical, trade publication.	It is less likely that methodologies and findings will be as critically assessed as part of the publication.
EC3	Document Type: bibliography, biography, book review, company report, directory, industry overview, interview, letter, obituary, product review, speech, television review.	These document types did not provide relevant theory or empirical studies.
EC4	Language: articles not in English.	English is my first language.

I developed exclusion keywords and attempted to incorporate these into the Boolean search strings. The results were inaccurate, as articles that appeared to be valuable were excluded and unwanted articles were included. After many failed attempts, rather than codifying exclusion terms, I conducted a manual review of the article abstract and title aided by the exclusion terms in Table 15. For literature research question 1, articles focused on economic theory, finance and credit management, marketing and consumer behaviour, computer software, manufacturing process optimisation and vocational education were excluded. For literature research question 2, articles focused on marketing, gender issues, social and judicial issues, public finance or shared services were excluded. For research question 3, articles related to marketing and manufacturing process optimisation were excluded.

Table 15: Literature Search Strings – Key Word Exclusion

Exclusion Terms for RQ1: What Capabilities are Required for the Successful Management of Projects?	
Nor	("economic theory" or "economic development" or econometrics)
	("credit management" or lending or leasing or licensing or insurance or pensions or capitalism or securities or "social security" or "accounting")
	("marketing strategy" or "marketing research" or "consumer behavior" or "customer orientation" or retail or wholesale or "marketing channels")
	("computer software" or "decision support")
	("business logistics" or "total quality management" or "estimation theory" or "manufacturing processes")
	("labour" or "vocational education" or "personnel management" or temporary employ* or "work sharing")
Exclusion Terms for RQ2: What is Distinctive about Organising in the Public Sector?	
Nor	(marketing or loyalty or brand)
	(gender or workplace or (employee n1 (satisfaction or selection or attitude))
	(social* respons*) or sustainab*) or ("constitution*" or judicial)
	("public finance" or benchmarking or scorecard) or ("shared services" or "information technology")
Exclusion Terms for RQ3: What are the Distinctive Practices Used to Deliver Public Projects Successfully?	
Nor	(marketing)
	(process optimisation)

*' is a truncation wildcard to allow for multiple endings to the words organisation and structure
 nx is a code indicating that the adjoined words need to be at least 'x' words apart regardless of the order

After applying the search strings (Table 12), inclusion limiters (Table 13), exclusion limiters (Table 14), key word exclusions (Table 15) and removing duplicate occurrences of individual papers, a list of 366 articles resulted. Twenty-one potential articles identified during the initial scoping of this study were not identified using this method. However, given their potential importance, these

papers were added to the list of potential papers, resulting in a total of 387 articles that were to undergo a more thorough quality assessment (see Table 16.)

Table 16: Summary of Potential Articles Identified

	Search Field	After Searches and Limiters	After Excluding Articles Using Keywords
ABI Inform	Abstract	280	102
EBSCO e-journals and Business Source Complete	Text, Author, Title, Subject Terms, Source	825	374
Emerald e-journals	Title and abstract	150	140
Duplicates between Sources		-430	-250
Additions from a preliminary scoping study			21
Potential Articles		825	387

2.3.5 Selection from Data Sources

A selection of data sources based on a quality assessment of each of the 387 potential research articles was conducted by rating papers on a five-point scale using three criteria: journal quality, contribution to knowledge and research methodology (see Table 17.)

Table 17: Quality Ranking by Criterion and Guiding Definitions

Rating Criterion	0 – Very Low	1- Low	2 – Moderate	3 - High	4 – Very High
Journal Quality (Ranking)	0 star journal	1 star journal	2 star journal	3 star journal	4 star journal
Contribution (Citations)	Less than 5 per annum	Between 5 and 15 per annum	Between 15 and 24 per annum	Between 24 and 39 per annum	Greater than 39 per annum
Research Methodology (Rigour)	<ul style="list-style-type: none"> Under 4 pages. Under 10 references. 	<ul style="list-style-type: none"> Between 4 and 7 pages. 10 to 15 references. 	<ul style="list-style-type: none"> Between 7 and 10 pages. 15 to 20 references. 	<ul style="list-style-type: none"> Between 10 and 14 pages. 20 to 30 references. 	<ul style="list-style-type: none"> Over 14 pages. Over 30 references.

The rating of journal quality was derived from the rankings in the ABS Academic (2010) *Journal Quality Guide*. The ratings from the Cranfield School of Management (2012) *Journal Recommendations for Academic Publication* were considered, but found to be less useful as some of the identified journals were not listed or ranked. Contribution to knowledge was rated according to the average number of annual citations for the article, which were derived using the number of citations listed by Google Scholar (2014). Thresholds for citations were set based on the review of a sample of articles, paying particular attention to articles with the lowest level of annual citations as these are to be excluded. Initially, Scopus (2014) was also used to identify citation levels. However, it omitted articles that Google Scholar did not and was not therefore used as a primary source. Instead, it was used to confirm the relative citation levels derived using Google Scholar. Finally, the research methodology was rated according to rigour, which was difficult to quantify systematically. Although inexact, the number of pages in the article and the number of references were surrogate measures for the quality of the research methodology. The very short articles with fewer references were given a zero rating. Articles with a zero rating in all three categories were marked for exclusion

from the shortlist. See Appendix 2: Project 1 – Quality Assessment (Journal and Citations) for an extract of the Excel spread sheet used to rate articles.

All three measures of quality have limitations. For example, journal rankings favour journals that have been published for longer periods of time and have had time to increase their ranking over time. Citation rankings might be affected by several factors including how well citations are electronically linked between electronic databases, the profile of the author, the novelty of the research question or how recently the article was published, with recent articles not having had time for the annual citation rate to reflect their quality. Finally, page numbers as a measure of methodology rigour is crude. As these limitations could inappropriately exclude articles, a manual review of the excluded articles was applied. Most were appropriately excluded. However, some that had sufficient quality to be included were added back into the shortlist. The methodical application of the three measures of quality had another limitation. Some articles should not have been included. The procedure to address this required a more thorough reading and understanding of the potential works to be included. This assessment was conducted during the synthesis of the literature.

The overall approach to search and selection has limitations, whereby important sources might not be found. Several procedures were used to confirm the short list of sources. The list of sources identified during the scoping study was reviewed. A backward referencing (i.e. snowballing or chaining) procedure was used to identify articles that the shortlist of articles had cited. A forward referencing (i.e. snowballing or chaining) procedure was used to identify articles that cited the shortlist of articles. An additional set of articles that were not included in the shortlist was identified. These were quality tested using the same three criteria method described above. This provided additional confidence in the final set of articles as the procedures identified many articles that were already in the shortlist and only a small set of additional articles that passed the quality review were eligible for inclusion.

A net total of 30 additional articles were identified, resulting in a final shortlist of 226 articles. These, along with the other identified sources, such as books and book chapters, were used for the analysis that follows. Despite the likelihood that some potentially relevant literature is missing, the strong cross-referencing between chosen sources and exclusion of others for quality reasons provides confidence that the final list of sources does encapsulate the core body of knowledge.

2.3.6 Data Collection and Timing

This section provides an overview of the data collected and timing, using meta-analysis of the articles published by year, published by journal, source journal quality and relationship to the research question.

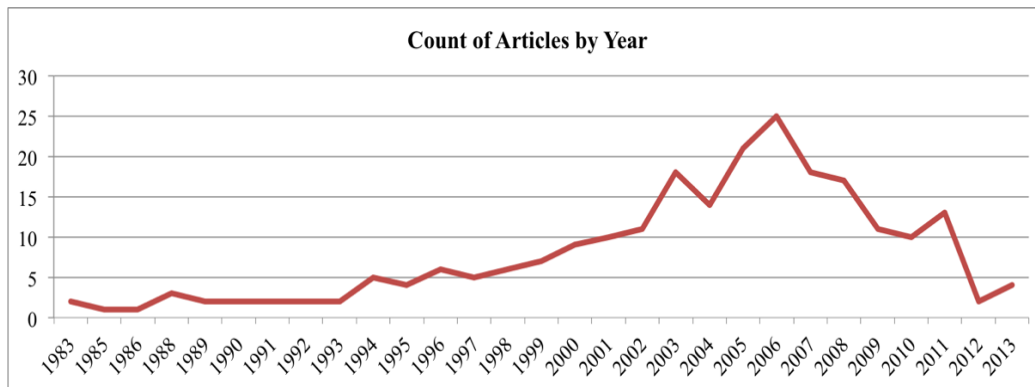


Figure 14: Count of Articles Published by Year

Considering articles published by years (see Figure 14), the first is published in 1983 with incremental contributions until 1998 when the number of articles grows year on year. There are noticeable contributions in 2005 and 2006, resulting from the outputs of a number of leading project management researchers that come together as part of the Engineering and Physical Sciences Research Council (EPSRC) funded *Rethinking Project Management* initiative (mentioned in the introductory section) and a reconsideration of the ideologies of New Public Management (mentioned in section 2.2.2). The number of articles drops in later years, which is not unexpected, as articles published in recent years will be less mature, unlikely to be highly cited and, hence excluded from the shortlist.

Table 18: Article Count for 4-star and 3-star Journals

4 Star Journals	Count	3 Star Journals	Count
Public Administration Review	20	Public Administration	10
Journal of Public Administration Research & Theory	18	Governance	4
Research Policy	11	International Journal of Management Reviews	3
Organization Studies	7	Research and Development Management	3
Strategic Management Journal	4	Industrial Marketing Management	2
Academy of Management Journal	2	Long Range planning	2
Academy of Management Review	2	Management Learning	2
British Journal of Management	3	Organization	2
Accounting, Organizations and Society	2	Accounting, Auditing and Accountability Journal	1
Human Relations	2	Annual Review of Political Science	1
Journal of Operations Management	2	California Management Review	1
Organization Science	2	Critical Perspectives on Accounting	1
Academy of Management Annals	1	Environment and Planning: Planning and Design	1
American Sociological Review	1	IEEE Transactions on Engineering Management	1
Australian Journal of Public Administration	1	Industrial and Corporate Change	1
Harvard Business Review	1	Journal of Policy Analysis and Management	1
Journal of Management	1	Organizational dynamics	1
Journal of Management Studies	1	Policy and Politics	1
Journal of Organizational Behavior	1	Social Policy and Administration	1
Journal of Product Innovation Management	1	World Development	1
Management Science	1		
Social Science & Medicine	1		
Total	85	Total	40

Table 19: Article Count for 2-star and 1-star Journals

2 Star Journals	Count	1 Star Journals	Count
International Journal of Project Management	28	American Review of Public Administration	2
Public Management Review	11	Review of Public Personnel Administration	2
Administration and Society	7	Educational Management Administration and Leadership	1
Project Management Journal	6	Emergence: Complexity & Organization	1
International Journal of Public Sector Management	4	Higher Education	1
International Public Management Journal	3	Human Resource Planning	1
Administrative Science Quarterly	3	International Journal of Managing Projects in Business	1
International Review of Administrative Sciences	2	International Journal of Productivity and Performance Management	1
Journal of Organizational Change Management	2	Journal of Facilities Management	1
Public Administration and Development	2	Learning Organization	1
Public Money and Management	2	Public Organization Review	1
System Dynamics Review	2	Public Performance & Management Review	1
American Review of Public Administration	1	S.A.M. Advanced Management Journal	1
Communications of the Association for Information Systems	1		
Construction Management and Economics	1		
Health Policy	1		
IEEE Transactions on Systems Man and Cybernetics Part A-Systems and Humans	1		
Industry and Innovation	1		
International Journal of Technology Management	1		
Journal of Knowledge Management	1		
Journal of Law and Society	1		
Journal of Manufacturing Technology Management	1		
Policy Studies	1		
Political Studies	1		
Scandinavian Journal of Management	1		
The Political Quarterly	1		
Total	86	Total	15

Article counts by 4-star and 3-star quality journals and 2-star and 1-star quality journals are provided in Table 18 and Table 19 respectively. The three areas of knowledge (i.e. public, programme and organisational management) are well represented in each of the journal quality levels. With only 15 articles (7%) from 1-star journals, the articles are skewed towards higher rated journals. The number of articles in the 1-star journals was likely to reduce due to lower quality assessment ratings given for contribution and research methodology for 1-star journals.

Considering the journals in which the articles are published, the knowledge base is widely distributed amongst 80 different journals, with 46 journals having only one identified article. Eight of the leading journals in project, organisational and public management contain approximately 50% of the total articles: International Journal of Project Management (28 articles), Public Administration Review (20 articles), Journal of Public Administration Research and Theory (18 articles), Public Management Review (11 articles), Research Policy (11 articles), Public Administration (10 articles), Administration and Society (7 articles) and Organizational Studies (7 articles.)

2.3.7 Data Reduction and Analysis

A synthesis of the shortlist of 226 articles and additional sources is conducted in accordance with the three research questions. Because data reduction is both

messy and time-consuming, cognitive mapping tools and techniques can be used to visually display domains of knowledge, associated concepts and the relationship between concepts (Fiol, 1995; Fiol and Huff, 1992; Huff and Jenkins, 2002). Specifically, thematic mapping is used in Project 1 (see Figure 15 and Figure 18.) According to Corbin and Strauss (2008), themes “represent relevant phenomena and enable the analyst to reduce and combine data.” In practice, the 226 articles and additional were reviewed. The narratives from individual sources were iteratively identified, grouped and built into a mosaic (Hammersley, 2001). After multiple iterations, a stable set of themes supported by coherent data appeared to emerge.

The data in each theme was analysed using content analysis (i.e. deriving concepts directly from the data) (Partington, 2002:113) for each of the themes identified in Figure 15 and Figure 18. Content analysis explored the origins and definitions of key concepts, major issues and debates, key epistemological and ontological grounds for the discipline, main questions and problems that have been addressed and how previous research has increased understanding and knowledge.

The reduction and analysis processes were not sequential. With social constructionism, researchers attempt “*as far as possible not to draw a distinction between the collection of data and its analysis and interpretation*” (Easterby-Smith et al., 2002:117). Instead they blend these techniques and applying them iteratively. In practical terms, data was shifted between themes during analysis as the data was not as coherent as it appeared. Eventually, the themes did stabilise and these are reflected in Figure 15 and Figure 18.

Conceptually, the abductive research strategy has several layers: observing facts objectively, analysing the facts using comparison and classification without hypothesis, inductively drawing generalisations as the relations between the facts and conducting further cognitive tests as necessary. Various cognitive tests were used in this study, including tables, for example, Table 22 was used to synthesise a data from various sources containing capabilities of an FPBO and Table 23 was used to synthesise data from various sources that identify the nature of the public sector. Both of these cognitive tests produced a set of themes, which were then incorporated into Figure 15 (the thematic map for RQ1) and Figure 18 (the thematic map for RQ2) respectively.

2.3.8 Limitations

The SLR is designed as a replicable, scientific and transparent process to minimize bias in an exhaustive literature search that provides an audit trail of the reviewer's decisions, procedures and conclusions (Tranfield et al., 2003). There were limitations to implementing the process. Although the focus of the study was limited, the fields of project, public and organisational management are vast and heterogeneous. The design of keyword search strings that included exclusion terms was problematic. Also, some important literature that was discovered by forward and backward referencing was not originally included. These limitations

were addressed by allowing additional articles to be included or excluded by the author.

The analysis of the data relied heavily on thematic analysis. Thematic analysis is useful for studying new topics and developing concepts. However, grouping data into themes can obfuscate meaning, omit the more nuanced data and is time-consuming for large data sets (Corbin and Strauss, 2008; Guest et al., 2011). Although these limitations exist, the study did serve to integrate the knowledge and many of the findings will be tested during the subsequent empirical projects.

2.4 Findings

This section integrates the project, public and organisational management literature identified by the structured database searches according to the three research questions. A count of the articles by question is given in Table 20.

Table 20: Count of Journal Articles by Research Question

Search Question	Articles
RQ1: What capabilities are required for the successful management of projects?	86
RQ2: What is distinctive about organising in the public sector?	122
RQ3: What are the distinctive practices used to deliver public projects successfully?	18
Total	226

2.4.1 RQ1: Capabilities Required for Successful Management of Projects

The first literature research question includes three core concepts: management of projects, success and capabilities. Thematic analysis of the literature for RQ1 produced eight main topics that are relevant to these three concepts respectively:

- Organisational forms, Programmification,
- Project success, Project Strategy, Programme Management Offices (PMO),
- Organisational Capability, Project Management Maturity (PMM) and Project-based Organising (PBO).

The PBO topic is composed of six sub-topics: Extended Governance, Investment and Strategy, Innovation, Learning, Specialism and Portfolio Approach. Figure 15 shows the identified literature by theme and sub-theme. For clarity, higher quality articles are emboldened and books are underlined.

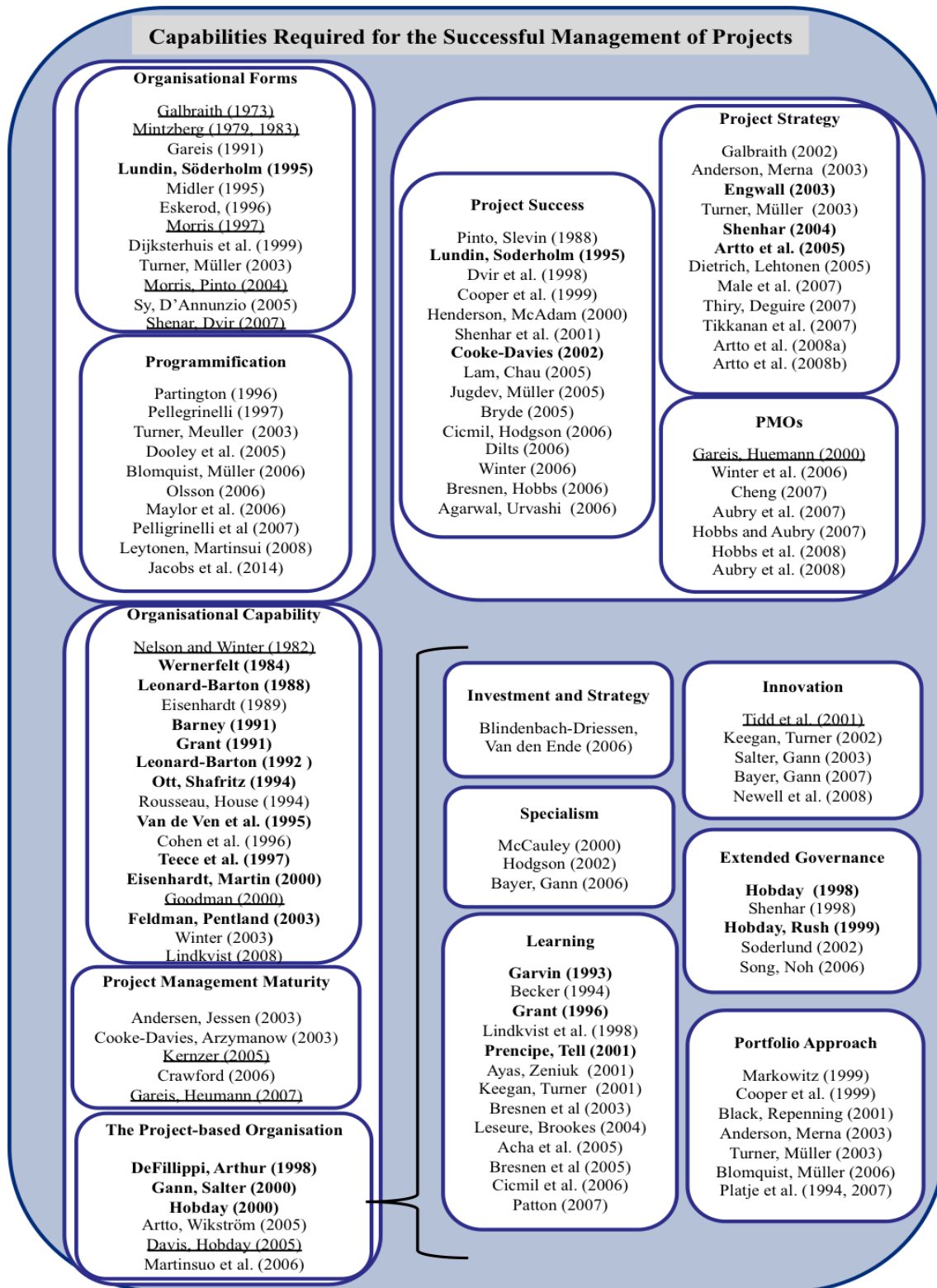


Figure 15: RQ1 Literature – Map of Topics

2.4.1.1 Management of Projects

The first literature research question (RQ1) considers the capabilities that are required for the successful management of the project. Management of Projects is explored in this section using two topics: Organisational Forms and Programmification.

Organisational Forms

Organisational forms emerge as one theme that is important to understand the management of projects. Organisational forms were heavily studied in the 1970s and 1980s (Galbraith, 1971; 1973; Mintzberg, 1979; 1983a; 1983b). An extension, the project as an organisational form, emerged in the late 1980s. Concerns that traditional project management “*took only a middle-management, tools and techniques view of the subject,*” (Morris, 1997:217), led to a broader conception of projects as a wider organisational phenomenon using the terms *management of project* (Gareis, 1989; Morris, 1997) and *temporary organisation* (Lundin and Söderholm, 1995). The concept of a project-based form of organising is now well accepted. Despite this, there have been few attempts to integrate the knowledge about temporary forms of organising (Winch, 2014).

Using empirical data, Crawford (2006:84) observes that those taking an organisational view of project management capability “*show little interest in topics and themes that have traditionally been applied to individual or stand-alone projects (e.g., time, cost and quality) and significantly more interest in those topics and themes that reflect a wider organisational perspective.*” Lundin and Söderholm (1995) distinguish four demarcations that define the temporary organisation i.e. management of projects. First, it is time bound. The organisation is built around a certain set of tasks that provide the rationale for their existence. Thirdly, a team of specialists is brought together to deliver the tasks. Finally, the purpose of the organisation involves change or transition. Figure 16 illustrates the shift in attention from the constraints of the Iron Triangle, found in classic project management theory, to the demarcations of the new model.

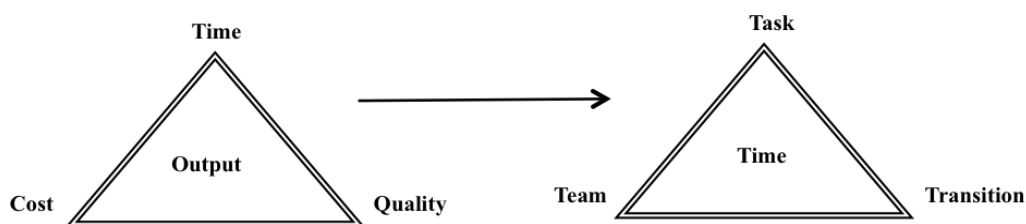


Figure 16: From Iron Triangle to Temporary Organisations

While Turner and Müller (2003:1) conceive that temporary organisations are subject to uncertainty about achieving the desired changes in the time provided, have a need for integration of resources in and between the temporary organisation and other organisations, there is a sense of urgency to achieve aims before it disbands. In this conception, the temporary organisation is not limited to only serve as a production function, as is the traditional project.

The temporary organisation has its origins in established organisational theory. Galbraith (1973) and Mintzberg (1979; 1983b) investigated various organisational forms and studied the associated advantages and disadvantages of each organisational form. One particularly relevant form is *the adhocracy*, which is structurally configured to accommodate sophisticated innovation and “fuse” experts drawn from different disciplines into project teams (Mintzberg, 1979:432). Organisational researchers describe a continuum of organisational forms using terms such as ‘pure functional’ to ‘pure market’ (Galbraith, 1973:114; Mintzberg, 1979:176).

Project theory applies established organisational theory in a new way. Researchers describe this continuum of organisational forms, using project-centric terminology (Davies and Hobday, 2005; Eskerod, 1996; Hobday, 2000; Lundin and Söderholm, 1995). Hobday (2000) describes six organisational archetypes: functional, functional matrix, balanced matrix, project-matrix, project-led and project-based. The matrix organisations, found midway between project-based and functional-based, are believed to introduce flexibility, but struggle with issues such as authority and resource allocation between the two co-existing forms of organising. Accordingly, research on matrix organisations tends to focus on two problems in particular: conflict and communications (Packendorff, 1995).

Organisational forms can change over time (Midler, 1995; Mintzberg, 1979) and are “*an important management tool for aligning organisation and environment*” (Dijksterhuis et al., 1999:569). The transformation from FBO toward PBO has been termed *projectification* (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014). Projectification introduces different dynamics into an organisation including a power shift away from line managers to project managers and projects gain legitimacy as functional structures dissipate. Of concern to researching organisational forms is that “*Structural changes often lag behind the new conditions that evoke them,*” (Mintzberg, 1979:479). Midler (1995) noted this phenomenon when observing the process of projectification, which occurred over a period of 30 years, a duration that would be longer than the lifetime of most projects, making the process a firm-level transformation.

Researchers studying projects and organisational forms introduced the project-based organisation to the spectrum of organisational forms, distinct from matrix management and other types of organising. Projectification describes the transformation of organisations when adopting a greater level of PBO.

Programmification

At the beginning of this century, the conception of projects as an organisational form was one factor that led researchers to consider *programme management*, the co-ordinated management of a series of inter-connected projects and other non-project work for the delivery of a specific package of benefits (Blomquist and Müller, 2006; Maylor et al., 2006; Pellegrinelli, 1997; Turner and Müller, 2003). Programmes are seen to be a way of managing to achieve business benefits that

are not necessarily delivered by a single project (Maylor et al., 2006; Turner and Müller, 2003). Pellegrinelli (1997) notes that programme management differs from project management in that programmes do not necessarily have a single, clearly defined deliverable or finite time horizon. Pellegrinelli et al. (2007) add that programme work is as much about coping as it is about planning and rational decision-making, and as much about re-shaping the organisational landscape as it is about delivering specific outputs.

Mirroring the concept of projectification, Maylor et al. (2006) introduce the concept of *programmification* to describe the phenomenon whereby programmes and portfolios of programmes are established as the mechanism for managing in organisations. The unit of analysis for programmification is multiple projects, programmes and portfolios alongside business as usual work, not just individual projects. Programmification is a firm-level transformation that alters the organisation, particularly the relationship between PBO and FBO.

Key Ideas

The academic discourse on the management of projects highlights a set of core ideas that are relevant to the successful development of capability:

- There is a continuum of organisational forms from fully-functional based to fully-project based,
- FBO and PBO co-exist in a parent organisation, and
- Projectification and programmification are firm-level transformations that alter the organisational form over time, during which the relationship between projects and programmes to the parent organisation changes.

2.4.1.2 Success

The first literature research question (RQ1) considers the capabilities that are required for the successful management of a project. Success is explored in this section using three topics: Project success, Project Strategy and Programme Management Offices.

Project Success

What is project success? “‘*Success*’ is a *slippery word*” (Morris, 2010:139) – it depends on whose measures are used and how they are measuring it. The concept of *project success* traditionally has been concerned with delivering against the constraints of the Iron Triangle i.e. time, cost and scope. This paradigm endures today. However, using these traditional measures of success, the concept of project success is ambiguous (Pinto and Slevin, 1988). The arguable success of the Sydney Opera House and the first Apple Computer are major failures using traditional metrics, as both drastically exceeded set deadlines and budgets when they were built. Further, project managers can often describe cases of projects delivering successfully on time and within budget with deliverables that are under-used and poorly received by the customer. According to Jugdev and Müller (2005), project

success research has evolved in stages. During the period from the 1960s to 1980s, metrics such as time, cost and quality were used to rate success because they were easy to use and supported by the Iron Triangle, which dominated practice and theory. In the period from the 1980s to the 1990s, *Critical Success Factors*, the things that must go right, were emphasised and customer satisfaction emerged as an even more demanding measure of success.

Critical Success Frameworks followed in the period from the 1990s to the 2000s, during which researchers attempted to rationalise lists of success factors and group them. Using these frameworks, theorists recognised that projects are multidimensional and project success can be judged in different ways (Artto and Wikström, 2005; Cicmil, 2000; Henderson and McAdam, 2000; Shenhar et al., 2001). Table 21 summarises seven perspectives of success that emerge from thematic analysing of these authors work. The themes include operational processes, structure and governance, organisational behaviour, skills and knowledge, stakeholder interests, business benefits and preparing for the future.

Table 21: A Consolidated View of Critical Success Frameworks

Perspective of Success	Cicmil (2000)	Henderson and McAdam (2000)	Shenhar et al. (2001)	Artto and Wikström (2005)
Operational Process	<ul style="list-style-type: none"> Project content 		<ul style="list-style-type: none"> Project Efficiency 	<ul style="list-style-type: none"> Product development success and process Accelerating new product development
Structure and Governance	<ul style="list-style-type: none"> Project congruence 	<ul style="list-style-type: none"> Alignment between project and co-ordinating organisation 		<ul style="list-style-type: none"> Multi-project management Marketing - R&D interface Inter-organisational collaboration Organisation theory and design Organising for R&D and comprehensive management
Organisational Behaviour	<ul style="list-style-type: none"> Organisational Behaviour 	<ul style="list-style-type: none"> Adapting to cultural and organisational change 		<ul style="list-style-type: none"> Technological and economic change Sociological and psychometric theories, and theory building
Skills and Knowledge		<ul style="list-style-type: none"> Adapting to context 		<ul style="list-style-type: none"> Organisational knowledge accumulation, transfer and learning
Stakeholder Interests	<ul style="list-style-type: none"> Project Communication 	<ul style="list-style-type: none"> Lean flexible adaptive customer responsiveness 	<ul style="list-style-type: none"> Impact on customers 	
Business Benefit	<ul style="list-style-type: none"> Project context 		<ul style="list-style-type: none"> Business success 	<ul style="list-style-type: none"> Manufacturing performance, and development in industry
Preparing for the Future			<ul style="list-style-type: none"> Preparing for the future 	

Operational process success focuses on developing internal processes and maintaining efficiency. Structure and governance success considers how to develop and maintain congruence between organisational units within the parent organisation and with other organisations. Organisational behaviour success considers how to develop the appropriate organisational culture and how to ensure knowledge is created and disseminated. Stakeholder interest success

considers customer dynamics and how to maintain alignment with multiple stakeholders while balancing different interests. Finally, business context success considers alignment with business success, recognising that one size does not fit all. Shenhar et al. (2001) unexpectedly identify an additional criterion – preparing for the future. This new conception is a departure from the other critical success frameworks and signals the emergence of the current period of project success research, which Jugdev and Müller (2005) term *Strategic Project Management*, during which the inter-relationship between project success and business strategy is of particular interest.

Project Strategy

After extensive literature reviews, both Anderson and Merna (2003) and Artto and Wikström (2005) concluded that project strategy research was scarce. Since then, our understanding of project strategy has evolved significantly (Anderson and Merna, 2003; Artto et al., 2008a; 2008b; Morris et al., 2004; Shenhar et al., 2007; Thiry and Deguire, 2007). The traditional approach to strategy was as a one-way linear process from organisational strategy to individual project strategy, with weak linkages and inevitable resource conflicts (Artto et al., 2008a; Maylor, 2005). In this conception, a project is perceived as an implementation vehicle of higher-level strategies, rather than an independent temporary organisation in its environment. Project strategy is inherited from the parent and is a static and explicit plan to be formatted at the start of the project and then enacted. The lone project perspective has two shortcomings: the organisational scope is too small and the time framework is too short (Engwall, 2003). Further, Maylor (2005:54) warns against the assumption that projects can rely on the “*momentary, deliberate intentions of a single parent or sponsor.*”

The conception of project strategy has shifted in the last decade. Maylor (2005:54) encourages a two-way approach used by world-class organisations, whereby project strategy both deploys organisational strategy and contributes to it. Artto et al. (2005; 2008a; 2008b) propose allowing for different kinds of strategy for different kinds of projects and define project strategy. Thiry and Deguire (2007:653) propose a dynamic process of strategy formulation, highlighting two important strategic processes for PBO: “*horizontal integration process ... from formulation of the business strategy to delivery of business benefits*” and “*vertical integration approach across the project portfolio to link it to the corporate strategy*”. Both processes help to position the PBO appropriately, relative to the environment in which the organisation operates and the nature of its business. What emerges is a refined definition for project strategy, which Artto et al. (2008a) state as “*direction in a project that contributes to the success of the project in its environment.*” In this definition, direction can be interpreted as one or several of the following: goals, plans, guidelines, means, methods, tools, or governance systems and mechanisms including reward or penalty schemes, measurement, and other controlling devices.

Over recent years, project strategy has shifted from a passive unidirectional application of corporate objectives to a bi-directional relationship that is informed by and informs corporation strategy.

Project Management Offices

The programme management office has drawn research attention over the last decade (Aubry et al., 2007; 2010a; Hobbs and Aubry, 2007; Hobbs et al., 2008). This arose as project strategy evolved to consider the relationship between the project and its context, history and future. The implication of extending the scope of strategy is that it must consider the inter-relationship between programmes, projects and the parent organisation (Engwall, 2003). According to the Project Management Institute (2004a, p. 369) a PMO is *“an organisational body or entity assigned various responsibilities related to the centralised and co-ordinated management of those projects under its domain. The responsibilities of the PMO can range from providing project management support to actually being responsible for the direct management of projects.”* One mechanism for handling the organisational complexities is the *programme management office* (PMO).

Although the concept of PMOs dates back many decades, it is only recently that it has evolved into a critical aspect of project-base organising. Aubry et al. (2007) present the PMO as part of a network of complex relations that links strategy, projects and structures, exemplified by the groups and single functions that PMOs provide (Hobbs and Aubry, 2007):

- Group 1: Monitoring and controlling project performance,
- Group 2: Development of project management competence and methodologies,
- Group 3: Multi-project management,
- Group 4: Strategic management,
- Group 5: Organisational learning, and
- Other Activities: specialised tasks for project managers, manage customer interfaces, recruit/select/evaluate/determine salaries for project managers.

Aubry et al. (2008) observe that the *“emergence of and need for the project management office is associated with the number and complexity of projects throughout the business world.”* Hobbs and Aubry (2008) highlight four organisational capabilities that affect the nature of the PMO: internal or external project customers, matrix or nonmetric organisational structure, level of PMM and supportiveness of the organisational culture. In defining these characteristics, they note that most public sector projects tend to be a means for other business objectives rather than part of the service or project being offered, as might be found in a small consultancy firm, and the PMO reflects this distinction. Hobbs et al. (2008) and Aubry et al. (2010b) extend this idea, proposing that implementing a PMO is an important mechanism for organisational change, which co-evolves with the organisational context in which it exists, and creates and destroys as it evolves.

(Aubry et al., 2010a) conclude that focusing on the technical aspects of a PMO, the correct characteristics and functions, is of little incident, as general patterns do not exist. Changes are more likely to be influenced by the specific organisational context. As an alternate perspective Pellegrinelli and Garagna (2009) suggest that the PMO acts as an agent of change, transforming processes, routines and culture, possibly even leading to its own demise. In this way, the PMO becomes a mechanism for developing routines and moderating the pace at which capabilities are developed.

Key Concepts

Exploring the academic discourse on project success surfaces a set of core ideas, relevant to the management of projects:

- Critical success frameworks identify seven perspectives of success: operational processes, structure and governance, organisational behaviour, skills and knowledge, stakeholder interests, business benefits and preparing for the future,
- Portfolio management is a contributor to the development and delivery of corporate and project strategy,
- Project strategy is a bi-directional approach, with project strategy informing and being informed by corporate strategy,
- Project strategy should consider context, history and the future,
- Co-creating is an important mechanism for coping with complexity and providing feedback, and
- The PMO is a mechanism for developing routines and moderating the pace at which capabilities are developed.

2.4.1.3 Capability

The first literature research question (RQ1) considers the capabilities that are required for the successful management of a project. Capability is explored in this section using three topics: Organisational Capability, Project Management Maturity and The Project-based Organisation.

Organisational Capability

What is organisational capability? Dosi et al. (2000:2) declare that, “*To be capable is to have a reliable capacity to bring that thing about as a result of intended action.*” The thing we seek to bring about is success. The resource-based view (RBV) of the organisation is a foundational concept, which posits that we look inside the organisation at competencies to explain high-performance and organisational success (Barney, 1991; Wernerfelt, 1984). Competence needs to be actively built. There is a hierarchy of complexity to competencies (Winter, 2003:991). Given the nature of core competencies, they are rare and companies are unlikely to build world leadership in more than five or six core competencies. These are supported by lower level components. Prahalad and Hamel (1990:82) suggest that, “*we see aggregate capabilities as building blocks*” for core competencies. According to

Prahalad and Hamel (1990:82), core competencies are “*the root system that provides nourishment, sustenance and stability*” and are leveraged into value producing services and products. Three tests can be applied to identify them:

- Multiple applications - enable multiple products and/or access to markets,
- Valuable - make a significant contribution to customer benefits, and
- Difficult to imitate or substitute - complex harmonisation of resources.

Rouse and Daellenbach (2002:965) note that, given that firms are heterogeneous, the ability to describe a competence does not mean another firm can duplicate exactly what was being done; however, similar advantages might be generated by firms in similar situations by learning from others. Hence, identifying and describing capabilities is an underlying pursuit of the RBV.

Leonard-Barton (1992) studied the nature of *core capabilities* in a project context, adopting a knowledge-based view of the firm. She identified four dimensions of capability. Its content is embodied in (1) employee knowledge and skills and embedded in (2) technical systems. The process of knowledge creation and control is guided by (3) managerial systems. Values and norms (4) are associated with the various types of embodied and embedded knowledge and with the processes of knowledge creation and control. The four dimensions are interrelated and each supports the other three. Values in particular permeate the other dimensions of a core capability and take on a type of integrating role.

Leonard-Barton studied organisational capability development in a project context, observing that the development and renewal of organisational capabilities generally takes longer than the duration of a given project. Time pressures mean that project managers cannot wait for the capability/rigidity paradox to be resolved and they react in four prescribed ways (Leonard-Barton, 1992:122)

- Abandonment i.e. end the project, the paradox becomes irrelevant,
- Recidivism i.e. rescope the project so that it leverages existing core capability and does not challenge existing capabilities,
- Reorientation i.e. reposition the project within the firm to an area where it better fits with local core capabilities and is not perceived as deviant, or
- Isolation i.e. dissociate the project physically and psychologically from the corporation so that paradoxes are not evident within the project itself.

According to Leonard-Barton (1992), core capabilities, paradoxically, become *core rigidities* that make further innovation and change difficult. In this way, core capabilities simultaneously enhance and inhibit organisational development. Ott and Shafritz (1994) offer an important extension, arguing that incompetence is an organisational issue with two sides to it: one as a social *construct* (a perception) and one as an objective *reality*. As a social construct, incompetence results in withheld or withdrawn support. As an objective reality, it is a repeated pattern of not learning from failures and successes. Ott and Shafritz (1994) make the point that competence is not the opposite of incompetence i.e. not being incompetent does not necessarily mean an organisation is competent.

How are capabilities created? The *dynamic capability* perspective of the firm specifically considers the process of developing and renewing capabilities, focusing on the capacity of an organization to adapt and achieve congruence with the changing business environment (Ambrosini and Bowman, 2009; Eisenhardt and Martin, 2000; Teece et al., 1997; Winter, 2003). The term ‘dynamic’ emphasises the capacity to create new, renew existing or release old competencies as markets emerge, collide, split, evolve and die, and the term ‘capability’ emphasises the role of strategic management in configuring and integrating resources and competencies for competitive advantage.

As competencies are built up from capabilities, theory suggests that capabilities are built up from sub-components called routines. Nelson and Winter (1982) define routines as “*regular and predictable behavioural patterns of firms*,” which includes technical routines for producing things, procedures for hiring and firing, policies regarding investment and even business strategies. In their theory, routines play the role that genes play in biological evolutionary theory. They determine features of the organism and possible behaviours and are selectable and inheritable, in that tomorrow’s organisms are generated from today’s organisms. Routines are represented in the memories of individuals, locally shared language, physical artefacts such as written procedures, organisational practices and global shared language such as pledges or corporate stories (Cohen et al., 1996:661) and these provide the potential means of observing and identifying them.

A conceptual hierarchy is depicted, whereby underlying resources and organisational practices are combined into routines, which are combined into capabilities, which are combined into competencies and these are ultimately combined into competitive advantage. As such, capabilities are multi-dimensional, complex and built up over time. The strength of a capability will change as routines are created, inherited or destroyed over time.

Project Management Maturity

Many organisations are looking to their project management capabilities. Unfortunately, as Kwak and Ibbs (2000:32) observed, many are “*uncertain, perplexed and even misdirected about the current status of the application of project management*” because a methodology for measuring and comparing performance across projects and industries was lacking. The Software Engineering Institute (SEI) (Paulk et al., 1995) was the first organisation to confront this issue in the software engineering industry by developing their SEI Capability Maturity Model (Paulk et al., 1995). This PMM model was heavily disseminated and utilised. As such, other PMM models (Kerzner, 2001; OGC, 2008b; Project Management Institute, 2004b) have been heavily influenced by the SEI model and adopted similar approaches.

Integral to the PMM is the concept that processes and practices advance through stages of maturity. The SEI PMM model has five stages: initial, repeatable, defined, managed and optimised. For each stage, there are sets of processes that must be

well executed before the organisation can claim maturity at the next level. PMMs are based on the assumption that a key factor in the success rate of projects is the organisation's project management competency, commonly termed *maturity* (Kwak and Ibbs, 2000; Meredith and Mantel, 2011). The underlying philosophy is that standardisation of practices leads to competency that delivers value to the organisations (Andersen and Jessen, 2003; Cooke-Davies and Arzymanow, 2003; Crawford, 2006; Gareis and Huemann, 2007; Ibbs et al., 2004; Kerzner, 2005; 2009; Maylor, 2005).

The existing PMMs suffer from a number of limitations (Jugdev and Thomas, 2002) including inflexibility, not accounting for rapid change, overwhelming complexity to apply, not being granular enough, omitting human resource and organisational aspects and identifying issues but not ways to address them. In response, variations are being considered. Andersen and Jessen (Andersen and Jessen, 2003:457) consider maturity to be knitted together with competence with three dimensions "*knowledge (capability to carry out different tasks), attitude (willingness to carry them out) and actions (actually doing them)*," and using a maturity "*ladder*" to measure and represent the level of maturity. Gareis and Huemann(2007) propose using more granular *webs* rather than steps to measure maturity and applying PMMs to different levels of the organisation, including individuals, teams, temporary organisations (programmes and projects), permanent organisations (e.g. companies) and even societies.

Although maturity may be of theoretical interest, based on a comparative study of theory versus practice, Crawford (2006:84) concludes that those engaged with the reality of organisational project management are "*more concerned with capability and results than they are with the concept of maturity.*" To illustrate the point, Crawford noted an organisation that was supportive of improvements to the management of projects because they saw a strong link between the performance of projects, particularly related to change and financial performance.

PMMs are of interest to practitioners, as they appear to offer a structured framework for assessing project management capability. However, the current models appear to have significant conceptual limitations.

Project-based Organising

Several seminal papers consider PBO. The authors use a range of terms to describe organisations that are project-based, including the *project-based organisation* (Hobday, 2000), *project-based enterprise* (DeFillippi and Arthur, 1998), *project-based firms* (Bayer and Gann, 2007; Gann and Salter, 2000), the *project business* (Artto and Wikström, 2005) and *project-based management* (Martinsuo et al., 2006). This study adopts the term *project-based organisation*. The extreme effect of projectification and programmification is the FPBO, an idealised organisational form that manages all of its work through projects. Davies and Hobday (2005:128) observe that the project-based organisation has not been fully studied. To extend the theory, a thematic analysis of the identified authors' work is presented in Table

22 and then each theme is considered using other relevant sources identified by the structured literature source.

Table 22: Capabilities of FPBOs

FPBO Capability	DeFillippi and Arthur (1998)	Hobday (2000)	Gann and Salter (2000) Bayer and Gann (2007)	Martinsuo et al. (2006)
Focusing on Innovative One-Off Complex Undertakings	<ul style="list-style-type: none"> Structure and staffing are temporary. High-tech employee contracting. Knowledge-intensive services. 	<ul style="list-style-type: none"> High market and technological uncertainty. High value, complex products and systems. 	<ul style="list-style-type: none"> Projects are temporary and unique. Produce one-off or highly customised products and services. Projects themselves are part of the service offering. 	<ul style="list-style-type: none"> Temporary organisation structure as part of or replacing the old organisational structure.
Making Investment and Strategy Decisions in Advance of Project Initiation	<ul style="list-style-type: none"> Capital investment is temporary Strategy precedes enterprise formation. 	<ul style="list-style-type: none"> Increased tension between corporate-level and project-level processes. 	<ul style="list-style-type: none"> Commissioning (bidding process) of projects is critical to success. Relationship between project and business processes is paramount. 	
Coping with Extended and Complex Governance		<ul style="list-style-type: none"> May include a consortium of companies. 	<ul style="list-style-type: none"> Operate in diffuse coalitions of companies. Tend to operate at the boundaries of the firm. Have little contact with senior management 	<ul style="list-style-type: none"> Promotes distributed and project-specific responsibilities in the organisation.
Putting Specialism at the Core of Resource Management	<ul style="list-style-type: none"> Career success is not linked to enterprise success. Career mobility drives industry stability. Inconsequential jobs are sought after as entry points to a career. 	<ul style="list-style-type: none"> Increased specialism in resources. Project Managers have high status and direct control over functions, personnel and other resources. 	<ul style="list-style-type: none"> Technical resources are embedded at both the project and firm levels. Reputation of technical expertise is often a key component in the formation of project teams. 	
Learning across Organisational and Temporal Boundaries	<ul style="list-style-type: none"> Idleness is necessary for individual learning. 	<ul style="list-style-type: none"> Requires local integration of knowledge and skills, cross-functional business expertise and customer focused innovation. 	<ul style="list-style-type: none"> Knowledge flows in client and supplier relationships are critical. High turnover, reluctance to recycle designs and professional incentive system limits internal learning. 	<ul style="list-style-type: none"> Includes both standardised and organisation-specific tools.
Employing a Portfolio Approach to Value Creation	<ul style="list-style-type: none"> Enterprise dissolution precedes outcomes. 		<ul style="list-style-type: none"> Profit from a small number of projects, most break even or fail. Firms trade on their past performance, to win new orders. 	<ul style="list-style-type: none"> Directed towards achieving goals of scope, cost and time and, increasingly, business results.

Capability One – Focusing on innovative, one-off, complex undertakings

DeFillippi and Arthur (1998) observe that industries with a high degree of employee contracting such as construction, film and semi-conductors and in industries that provide knowledge-intensive services such as law, management consulting and architecture, frequently organise around projects. Similarly, Hobday (2000) and Gann and Salter (2000) emphasise that high-value, complex projects are common.

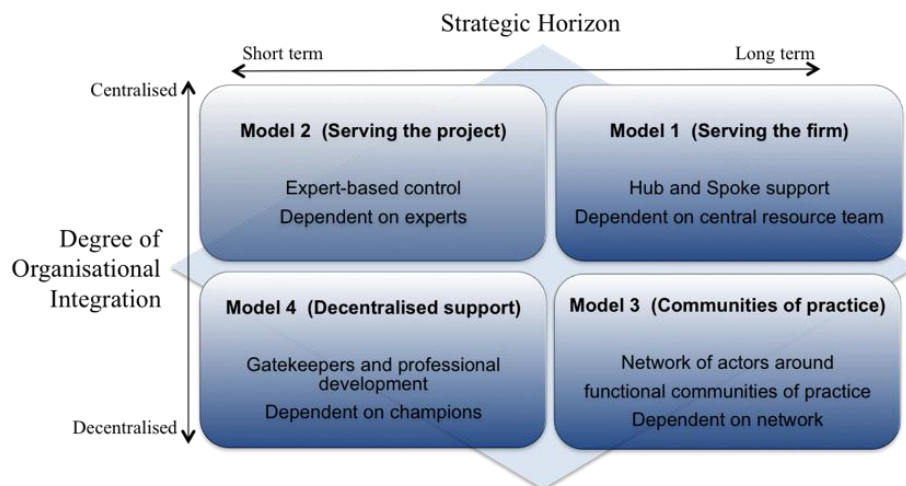


Figure 17: Research and Development Models in Project-based Organisations

Keegan and Turner (2002:371) explicitly state that, “*Project-based firms should behave like innovative firms*” and observe the extensive use of innovation-supporting practices, including matrix structures, liaison personnel and boundary spanners of all kinds in their empirical research. Acha et al. (2005) describe four models (see Figure 17) for innovative research and development (R&D) projects in relation to a parent firm. The approach is described using two dimensions: strategic horizon and degree of organisational integration. These variations illustrate how closely the R&D unit is coupled with the parent organisation and how influential it is beyond the scope of the project. In model 1, the central R&D unit plays a service support function within the firm, providing background and technical advice to project teams. In model 2, there is no central unit. Instead, the organisation relies on experts within and outside the firm for the development of capabilities. In model 3, the firm has formal R&D units and uses its different communities of practice to decide what R&D to carry out. Model 4 illustrates the decentralised approach, with no formal R&D unit and loosely linked communities of practice, typical in most professional organisations.

If the four models are viewed from the perspective of the idealised FPBO, where the project and parent firm are the same entity, it could be reasoned that it would function according to Model 2. However, if a parent firm exists and the strategic horizon is unlikely to be only short-term, pressures for the project-based organisation to abandon expert-driven control and adopt other models follows.

Capability Two – Making investment and strategy decisions in advance of project initiation

The idealised project-based organisation, such as a film company, is created after its purpose emerges. As such, DeFillippi and Arthur (1998) conclude that key investment and strategy decisions are largely made before the FPBO even exists. Project-based organisations often will have dissolved before the outcome of the investment is even known.

This style of organising demands a unique understanding and approach to strategy formulation and financial management. Blindenbach-Driessen and van den Ende (2006) illuminate factors that are important: application of contingency planning approaches, explicit project selection, support of senior management, availability of sufficient experts, making business cases, and testing and launching the new services.

Capability Three – Coping with complex extended governance arrangements

According to Hobday (2000) and Gann and Salter (2000), large project-based organisations inevitably work as part of a coalition of companies or business units that cooperate to deliver components along the supply chain. This complexity requires a governance model that can handle distributed decision-making and accountability.

Complex Products and Services (CoPS) provide a fertile ground for studying complex governance arrangements and are explored by Shenhar (1998), Hobday (1998), Hobday and Rush (1999), Söderlund (2002) and Song and Noh (2006). Shenhar (1998) illustrates variations in complexity using a two-dimensional typology of project management styles based on system scope and technological uncertainty. At one extreme of these two dimensions, there exists a particular type of project defined by a single component (low complexity) and low level of technological uncertainty. This is in polar contrast to a project defined by a dispersed collection of systems functioning together (high complexity) and high level of technological uncertainty. Hobday (1998) and Hobday and Rush (1999) investigate the latter of these two scenarios (high complexity and uncertainty) as CoPS, which they describe as high cost, design-intensive products, systems, networks, control units and constructs that are one-off or very low volume endeavours. The term 'complex' reflects the high degree of customisation, breadth of skill involved with production and the high-level of new knowledge required.

Hobday (1998), and subsequently Söderlund (2002), observe CoPS have a high degree of *coupling* due to reciprocal interdependence of customers, suppliers, partners and regulators. Coupling is important, as the products and markets in which they operate may not yet even exist. The creation process is a co-dependent endeavour. Intensive involvement of customers is required to provide feedback on adaptations. There are regular changes to supplier options and requirements, demanding intense supplier involvement. Organisations developing CoPS

frequently work in partnerships to exploit the advantages of multiple individual firms. Finally, industry rules and standards evolve, as existing approaches may not be designed to cope with the CoPS. The governance of the project is used as the primary structure for organisation and co-ordination in this complex CoPS network.

In dynamic CoPS project environments, there is little repetition of events and long delays between cause and effect (Hobday, 1998). As such, Söderlund (2002) stresses the need for a high degree of inter-organisational responsiveness and downplays autonomy. Governance structures must therefore be a holistic, highly coupled and inter-organisational mechanism for co-ordination, whereby delays in feedback between cause and effect are minimised.

Capability Four - Putting specialism at the core of the resource management

In project-based organisations, there are internal and external forces driving the use and mobility of specialist skills. DeFillippi and Arthur (1998) studied the film industry and observe how career development is not linked to the organisation, as the firm (the film production company) will dissolve when its purpose is achieved. Instead, learning on the job and mobility are mechanisms for career advancement. The second idea proposed by DeFillippi and Arthur (1998) is that the creation of project teams depends on the availability of specialists that can arrive and quickly become high performing.

The concept of specialism was observed in other contexts. In studying two financial services organisations, Hodgson (2002) states, *“The notion that Project Management is understood [...] as a form of expertise which exists independently of the context, as a valuable, even critical add-on [...]. Like management skills, it is seen as essentially abstract and therefore able to be transferred and applied in almost any organizational context.”* In studying heavyweight development teams, Wheelwright and Clark (1992) conclude that the teams offered improved communication, stronger identification with and commitment to a project. However, these specialist teams also introduce unique issues and challenges that need careful management.

In modelling the interaction between project and business-level processes, Repenning (2000) calls for a multi-project (portfolio) approach to resource allocation, while Bayer and Gann (2006) demonstrate how the effect of work overload is exacerbated by the effects of the overload on rework and emphasises the importance of detecting and reducing rework to the overall portfolio of work. Both place emphasis on the internal processes for work acquisition and resource allocation.

Capability Five - Learning across organisational and temporal boundaries

Gann and Salter (2000) observe that learning links the organisation externally with its suppliers and customers, while Hobday (2000) notes the importance of local integration of knowledge and skills. Learning and learning capabilities are

embedded in the resource-based view of the firm (Garvin, 1993; Grant, 1996; Levitt and March, 1988). According to Levitt and March (1988), organisation learning is a routine-based, history-dependent and target-oriented behaviour. The ability to learn across organisational and temporal boundaries is fundamental. Various researches have specifically considered learning mechanisms. The theory of organisational routines (Ambrosini and Bowman, 2009; Becker, 2004; Feldman, 2000; Feldman and Pentland, 2003; Nelson and Winter, 1982; Pentland and Feldman, 2005; 2008; Pentland et al., 2012) has emerged as a basic component of organizational behaviour that is linked to learning and by extension to organisational capabilities and change (Brady and Davies, 2004; Bresnen et al., 2003; 2005; Keegan and Turner, 2001; 2002; Prencipe and Tell, 2001). Feldman and Pentland (2003:93) define routines as, *“repetitive, recognizable patterns of interdependent actions involving multiple actors.”* Project-based learning is a *situated* approach, emphasising the importance of shared practice and social context, and transferring the social context that created the learning, as much as transferring the literal learning outcomes themselves (Bresnen et al., 2003; 2005). In the project-based organisation, projects embody routines that can be inherited from project to project (Prencipe and Tell, 2001). Keegan and Turner (2001:78) view organisational learning in the project-based organisation as *“an evolutionary process where a constant cycle of variation, selection and retention leads to change”* and the development of new routines.

Learning happens at individual, group and organisational levels in a given firm (Keegan and Turner, 2001; Prencipe and Tell, 2001). Keegan and Turner (2001:78) acknowledge learning processes acting at various levels: *“individual learning occurs when a person acquires new ideas or skills,” “organisational learning occurs when an organisation institutionalises new routines or acquires new information,”* and *“population level learning occurs when the activities of the entire population change in response to the fact that some firms are thriving and others are not.”* Principe and Tell (2001) identify three learning processes: experience accumulation, knowledge articulation and knowledge codification. They have conceived of distinct *learning landscapes* that put varying emphases on learning processes and levels. Type one organisations (the explorer) rely on the individual and on experience accumulation. Type two organisations (the navigator) focus on implementing individual and group mechanisms for project-to-project learning and focus on knowledge articulation. Type three organisations (the exploiter) focus on articulating and codifying knowledge across all levels: individual, group and organisational. According to Prencipe and Tell, these different learning types are not contingent on the industry in which the business operates.

DeFillippi and Arthur (1988) note, in the FPBO, periods of idleness are necessary for individual learning to occur. Complementarily, Ayas and Zeniuk (2001) observe that learning quality is improved when reflective practitioners in projects are supported by:

- A sense of long-term purpose,
- Psychological safety in telling the truth,
- Learning infrastructure and tools,
- Communities of practice that cross boundaries,
- Leaders that set the tone for learning, and
- Processes for systemic and collective reflection.

Patton (2007) reasons that bureaucratic organisations do not have the learning and knowledge management systems to cope with the accelerated rate of change of project management environments. Project team managers must now devote a more significant amount of their resources to apprehending, thinking, learning and innovating – the basic elements of knowledge work. As such, project-based learning must operate, at least partially, within the project and not be trusted to the parent organisation. However, according to Ayas and Zeniuk (2001:64), even though *“much of the new knowledge in an organisation is created by projects,” ... “learning is not a natural outcome of projects and [PBO] is not necessarily conducive to learning.”*

Research reveals that projects face many barriers to learning from other projects and from their parent (Ayas and Zeniuk, 2001; Keegan and Turner, 2001; Prencipe and Tell, 2001; Salter and Gann, 2003). Keegan and Turner (2001) conducted empirical research to unveil three key barriers: time pressures not allowing for learning activities to take place, centralising learning responsibilities away from the project environment, and deferring until the end of the project. Bresnen et al. (2003:159) further note that inter-project learning is hampered as *“groups are temporally, spatially and culturally differentiated in ways that militate against the diffusion of knowledge.”* The episodic nature of learning during innovation makes it challenging to build the necessary organisational memory from repeated behaviour (Acha et al., 2005).

Capability Six – Employing a portfolio approach to value creation

Gann and Salter (2000) observe that a small number of projects are profitable, some break even but many fail. Value creation occurs across the portfolio, acknowledging that failures occur. The concept of *project portfolio management* or more simply *portfolio management* has its roots in the risk-based financial investment theory (Markowitz, 1999), was used in research and product development theory (Cooper et al., 1999) and has now been adopted by project theory. Originally, a project portfolio was conceived simply as a collection of projects largely for administrative purposes. However, it has become an active process that aligns the effect that programmes and projects have on corporate strategy and optimises the use of resources to deliver benefits that would not be possible if each programme and project were managed independently (Blomquist and Müller, 2006; Platje et al., 1994; Thiry and Deguire, 2007; Turner and Müller,

2003). One key aspect of portfolio management is project selection, as poor selection can lead to allocation of resources to lower benefit activities (Anderson and Merna, 2003; Blomquist and Müller, 2006).

Key Concepts

The academic discourse on organisational capabilities highlights a set of core ideas that are relevant to the successful management of projects:

- There is a conceptual hierarchy of combining underlying resources and organisational practices into routines, capabilities, competencies and ultimately into competitive advantage,
- Capabilities have a multi-dimensional and complex nature that includes value and norms, managerial systems, skills and knowledge and technical systems,
- Capability is a multi-level phenomenon operating at individual, group and corporate levels,
- The bipolarities of capabilities versus rigidities and competence versus incompetency affect organisational success,
- Routines play a key role in the creation and destruction of capabilities,
- Time constrains the development of PBO capability,
- PMMs have a limited conception of capability and how it is created,
- FPBOs exhibit six capabilities: Focusing on Innovative One-Off Complex Undertakings, Making Investment and Strategy Decisions in Advance of Project Initiation, Coping with Extended and Complex Governance, Putting Specialism at the Core of Resource Management, Learning across Organisational and Temporal Boundaries, and Employing a Portfolio Approach to Value Creation.

2.4.2 RQ2: Distinctive about Organising in the Public Sector

The second literature research question (RQ2) considers two core concepts: public sector organising and distinctive capabilities. Thematic analysis of the literature supporting RQ2 produced five main topics that are relevant to these two concepts respectively:

- NPM, Rebureaucratisation, Principles of Public Organising, and
- Publicness and Public Organising Capabilities.

The topic Public Sector Capabilities is composed of five sub-topics: Public Innovation, Public Leadership, Public Professionalism, Public Governance and Public Performance Management. Figure 18 shows the identified literature by theme and sub-theme. For clarity, higher quality articles are emboldened and books are underlined.

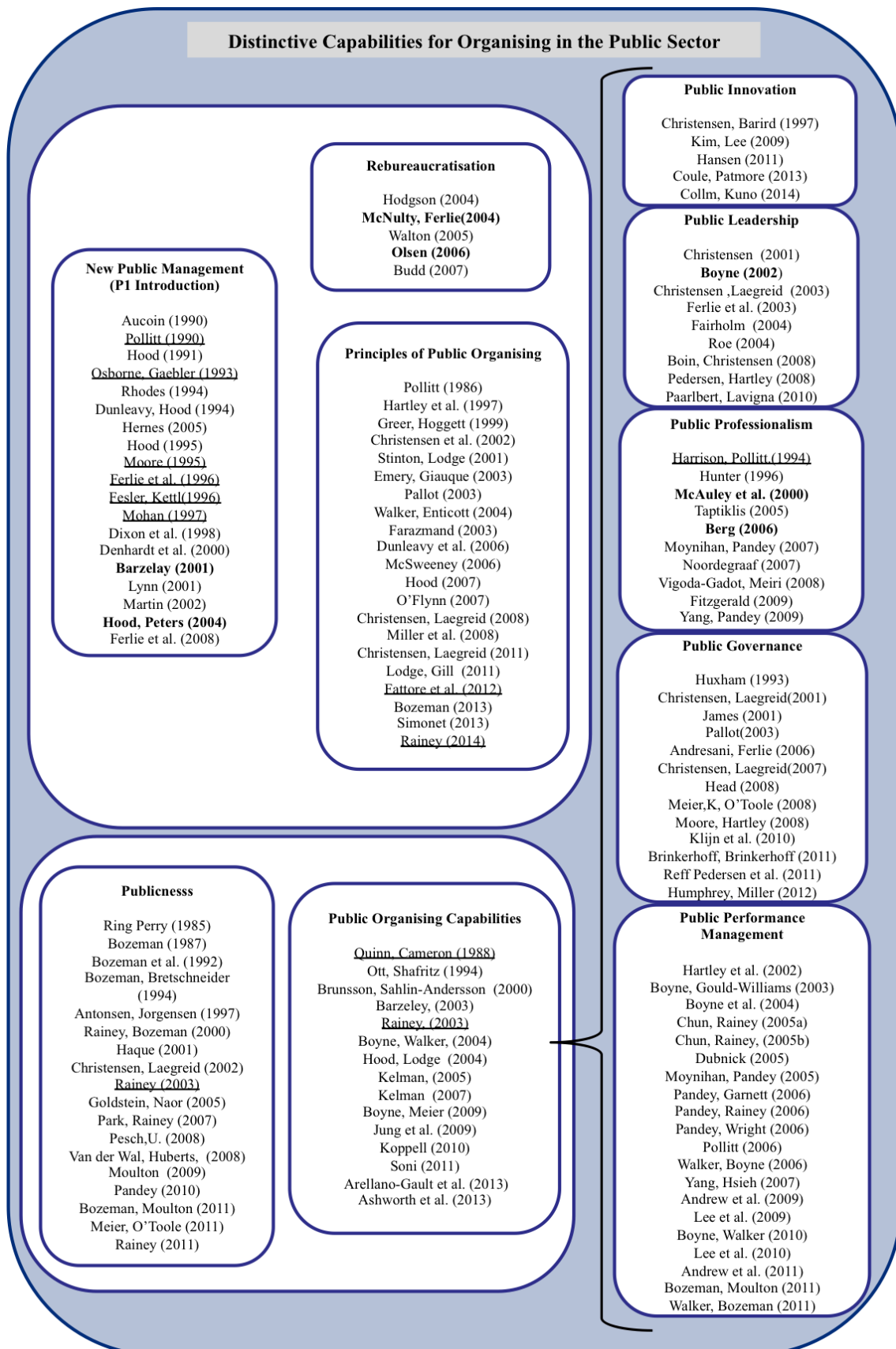


Figure 18: RQ2 Literature – Map of Topics

2.4.2.1 Public Sector Organising

RQ2 considers two core concepts: public sector organising and distinctive public sector capabilities. This section explores the public sector organising using three topics: New Public Management, Rebureaucratisation and Principles of Public Organising as illustrated in Figure 18.

New Public Management

NPM described in the introduction to the SLR, has been a dominant feature of the discourse of public sector management over recent years. At its core, NPM assumes that the public sector is inherently inefficient and the application of private sector practices will lead to improvements. One school of thought suggests that NPM has run its course and a post-NPM era has arrived (Christensen and Lægheid, 2011a; Dunleavy et al., 2006). Post-NPM is characterised by its response to the weaknesses of NPM produced by specialisation, fragmentation and marketisation (Lodge and Gill, 2011).

Rebureaucratisation

In spite of efforts to introduce new ways of organising, bureaucratic organising remains a relevant and enduring part of modern public organising (Budd, 2007; Courpasson and Clegg, 2006; McNulty and Ferlie, 2004; Olsen, 2006; McSweeney, 2006; Walton, 2005). Olsen (2006) argues that bureaucracy has an important role as an institutional custodian of the democratic principles and also for procedural rationality when political will needs to be implemented by government. Budd (2007) argues the case for bureaucracy in another way. The demand for flexibility within post-bureaucracy suggests greater absorption of the individual into the organisation, demanding that they shift between different roles and capacities. In this way, the individual becomes subjugated to the organisation. Budd reasons that this is, in effect, extending bureaucracy rather than replacing it. McSweeney (2006:26) claims that the Next Steps agencies, intended to introduce post-bureaucratic organising practices, led to a *“continuation, indeed an intensification of bureaucratisation.”* Even when wanted, the impetus for change may not be strong enough to overcome norms of behaviour such as professional autonomy that would allow bureaucratic structures to be replaced with more integrated process-based structures and reliance on top managerial leadership may be insufficient to shift the balance (Hodgson, 2004; McNulty and Ferlie, 2004). These authors do not claim that bureaucracy is the *only* or best way to organise; instead, it is part of a repertoire of overlapping, supplementary, and competing forms. It coexists in contemporary organisations as part of a mosaic of organisational forms.

Principles of Public Organising

Based on an empirical study of English local government, Walker and Enticott (2004) conclude that the values of management reform are more widely held than implemented. Similarly, Lodge and Gill (2011) argue that the concepts of NPM and

Post-NPM are academic inventions to summarise developments and are ambiguous. As an alternative, they encourage identifying the essence that underlies these doctrines and paying greater attention to empirical relevance. In support, the following sections identify underlying principles of organising in the modern public sector.

Democratic engagement is one principle of public organising. Pollitt (1986) expresses concerns with the overconcentration of the managerial aspects of performance and argues for acknowledging the “*legitimacy of direct input from the public*.” In considering the relationship between the Treasury and the Audit Office in New Zealand during the implementation of NPM, Pallot (2003) observed the tensions expressed between their respective agendas as *privatisation* and *democratisation* (social effectiveness, democratic accountability, public scrutiny).

Transparency, the second principle, has long been a central principle for public management (Hood, 2007; Stirton and Lodge, 2001). The concept of transparency is closely related to notions of accountability, though the two are not identical (Stirton and Lodge, 2001). Transparency has many meanings and interpretations in practice, translated in approaches to organisational governance and management.

Hybridisation is the third principle of the modern public sector (Arellano-Gault et al., 2013; Bozeman, 2013; Christensen and Lægreid, 2011b; Emery and Giauque, 2003; Greer and Hoggett, 1999; Miller et al., 2007). Miller et al. (2007:962) state that hybridisation occurs when “*two or more elements normally found separately are combined to create something new*”. Quangos and agencies are examples. Greer and Hoggett’s (1999) research of Local Public Spending Bodies indicates that quangos and agencies inhabit the fuzzy space between the public and private spheres in terms of organisational structure and service delivery. The authors argue that these organisational forms must navigate the worlds of policy and strategy, which Greer and Hoggett (1999:235) define as “*the collection of decisions grounded in public values*” and “*positioning of an organisation in it’s struggle to survive and grow*”. To succeed, they conclude that, although the language of strategy dominates governing boards, these quangos must establish local democratic accountability and legitimacy, which relies upon policy-making capabilities. They should have the capacity both to act strategically and to shape policies. Emery and Giauque’s (2003) study of Swiss NPM also highlights the principle of hybridisation. They take the position that NPM is not a new theoretical paradigm, rather a hybrid implementation of management approaches emanating from the private sector.

Finally, societal transformation (or incremental evolution) is a principle of the modern public sector (Christensen and Lægreid, 2001b; McNulty and Ferlie, 2004). This is perhaps the more novel of the four principles and may require explanation. The public sector is under constant pressure to reform, improve and remake itself. Rainey’s (2014:409) view of public organisations is that, “*Far from being isolated bastions of resistance to change, they change constantly*.” Using the case of process

changes in the NHS, Christen and Laegreid (Christensen and Lægreid, 2001b) argue transformations are sometimes limited. Administrative change agents often have to lead transformation that transcends the time horizons and tenures of the sponsoring executive and politicians (Hartley et al., 1997; Rainey, 2014), leaving changes to falter. Farazmand (2003) applies chaos and transformation theory to public management using the concept of *(co)evolution* rather than incremental reform. In a dynamic (random, chaotic, non-linear) environment, the open-system organisation is constantly self-correcting, adapting to its environment and fighting the forces of decay and stagnation. The logic of chaos theory and transformation suggests that public leaders should actively induce periodic change of a chaotic nature to encourage renewal and revitalisation. Christensen et al. (2002:154) present *active administrative policy*, the “*intentional efforts of central political-administrative actors to alter, through policy, the structure, processes, or personnel of the public sector,*” as a heroic ideal of administrative reform, stating that administrative policy is more incremental in reality.

Key Concepts

The academic discourse on public organising highlights a set of core ideas that are relevant to the distinctive capabilities for public sector organising:

- The bureaucratic organisational form endures in the public sector, and
- Principles for managing in public organisations include democratic engagement, transparency, hybridisation and societal transformation, with the latter two emphasised by New Public Management reforms.

2.4.2.2 Distinctive Capabilities

The second literature research question (RQ2) considers two core concepts: public sector organising and distinctive capabilities. This section explores distinctive capabilities using two main topics: Publicness and Public Organising Capabilities as illustrated in Figure 18.

Publicness

Publicness has long been a central topic in public administration (Bozeman, 1987; Bozeman et al., 1992; Coursey and Bozeman, 1990; Rainey, 1979; Ring and Perry, 1985). Publicness is conceptualized variously as the influences of political authority (Bozeman, 1987; Bozeman and Bretschneider, 1994; Ferlie et al., 2003; Pesch, 2008) as organizational ownership (Rainey, 1979; Rainey and Bozeman, 2000) or as the structural relationship between the two (Dunsire, 1978; Rainey and Bozeman, 2000). In the middle of 2010, banks experienced the effects of increased publicness as they were subjected to increased external political control and ownership (Moulton, 2009), and new regulatory structures were introduced. Most of the literature on publicness deals with macro-level issues; there is a void when it comes to understanding the micro-level and meso-level aspects of publicness.

Public Organising Capabilities

This section considers Public Organising Capabilities. Various authors have explored the similarities and differences between the public versus private sector. The SLR identified the work of Rainey (2003), summarised in Kelman (2005), and Quinn and Cameron (1988).

Table 23: Distinctive Nature of Public Sector Organisations

Subtopic (Distinctive Nature)	Rainey (2003) Kelman (2005)	Quinn and Cameron (1988)
Public Innovation (Introducing innovations driven by value defined by the collective)	<ul style="list-style-type: none"> The government has a role in delivering not only services, but also obligations such as the duty to pay taxes and obey the law. 	<ul style="list-style-type: none"> Increased revenue does not generally result from producing or delivering more services (however costs do increase.) Many of the public services are delivered face-to-face and are complex to deliver (and to a large customer base.)
Public Leadership (Navigating politicised decision-making processes)	<ul style="list-style-type: none"> Operation of these organisations in a political external environment. The greater sensitivity of those in the political system, providing the organisation with resources to avoid scandals, as opposed to creating results. 	<ul style="list-style-type: none"> Accountability to elected politicians. Mandates of organisations are constrained by statute and regulation.
Public Professionalism (Managing the professional autonomy of the workforce)	<ul style="list-style-type: none"> Less ability to use monetary incentives to influence the behaviour of individual employees and managers. 	<ul style="list-style-type: none"> Professionals that are generally resistant to classic 'line management' relationships deliver many of the services. Rather than working for line managers they work to their own professional standards.
Public Governance (Coping with complex extended relationships)	<ul style="list-style-type: none"> There is a greater need for organisations looking at different aspects of a problem to work together across organisational boundaries. The greater use of contracting with private organisations for core functions. 	<ul style="list-style-type: none"> Complexity of organisational networks.
Public Performance (Articulating value across organisational boundaries and time)	<ul style="list-style-type: none"> The greater public visibility of the organisation's internal activities. Lack of profit as a performance measure. 	<ul style="list-style-type: none"> Lack of consensus and clear definition on overall outcomes. The occasional absence or rarity of competition (and hence market information).

Table 23 describes five key areas of discourse in the identified literature: service innovations are driven by value defined by the collective, navigating politicised decision-making processes, managing the professional autonomy in the workforce, coping with complex extended relationships and articulating value across organisational boundaries and time. Each of these ideas is explored below using literature identified during the SLR.

Public Innovation - introducing innovations driven by values defined by the collective

There are distinctive forms of innovation in the public sector, as it is driven by collective values (Adams et al., 2006; Christensen and Baird, 1997; Collm and Schedler, 2014; Coule and Patmore, 2013; Hansen, 2011; Kaul, 1997). Collective values include equity, participation, social impact, respect and fairness (Pollitt, 1986). Profit is not explicitly excluded, nor is it the primary driver. To illustrate, innovations in regulation are being developed to restrain banks following the most recent banking crisis in order to create economic stability (Walker and Bozeman, 2011). Banks need to be profitable to be viable, but other factors are being built into the regulation to counter-balance profitability being the only driver. Quinn and Cameron (1988) note that the lack of consensus and clear definition on overall outcomes and the absence or rarity of market information due to lack of competition make it difficult to agree and measure value. Hence, different approaches are required to define, develop and exploit innovations.

Public Leadership - navigating politicised decision-making processes

Public decision-making is highly politicised, demanding distinctive public leadership approaches (Boin and Christensen, 2008; Boyne, 2002; Christensen, 2001; Christensen and Lægreid, 2003; Fairholm, 2004; Ferlie et al., 2003; Paarlberg and Lavigna, 2010; Pedersen and Hartley, 2008; Roe, 2004). Public management cannot be divorced from the policy and political contexts in which it is located (Ferlie et al., 2003). The variable control, used by Andrews et al., (2011), can be encapsulated within this capability. Public organisations function within a set of legal, regulatory and policy rules and demands, and are required to be accountable. This accountability is in the full glare of the public eye, not only in the media but also through an apparently expanding set of regulatory, inspection and scrutiny regimes. Fairholm (2004:582) illustrates a range of *leadership tools and behaviours* aligned to *approaches needed for followers*. The lower order approaches appear to be similar to that of the private sector. However, two higher order approaches are distinctive: “*developing and enabling individual wholeness as a community*” and “*setting moral standards.*” Taptiklis(2005) introduces the practice and theory of storytelling, centring on the relationship between narrative and complexity, with seeming relevance to these two higher order approaches.

Public Professionalism - managing the professional autonomy of the workforce

Public professionalism is an active research area (Berg, 2006; Fitzgerald, 2009; Harrison and Pollitt, 1994; Hunter, 1996; McAuley et al., 2000; Moynihan and Pandey, 2007; Noordegraaf, 2007; Vigoda-Gadot and Meiri, 2008; Yang and Pandey, 2009). Managerial-professional conflict, although not unique to, is distinctive in the public sector. Referring to Harrison and Pollitt (1994), Hunter (1996:803) describes management as “*getting other people to do things*” while professionalism is about “*employing one’s own judgement about what to do and how to do it.*” Resolving the conflict could take several forms (see Figure 19.)

Continuum of Management Interventions		
Minimum		Maximum
Raising professional standards	Involving professionals in management	External management control of professionals
Audit Standards and Guidelines Accreditation	Budgets for Professionals Resource Management Professional Manager	Managing professionals' Work Changing professionals' contracts Extending competition

Figure 19: Continuum of Management Interventions

Source: Hunter (1996)

Hunter (1996:803) suggests that interventions are an integral part of the management of professionals. Although management can use *interventions* to make their intentions known to professionals, it is not clear from this review how other professionals, such as policy-makers, make their intentions known to management professionals. Managers need to adapt and listen differently. McAuley et al. (2000:110) caution managers from assuming that non-managerial professionals are not interested in management. They occasionally may be “*giving a different meaning to what they require from management than does ... managerialist orthodoxy.*”

A consideration is the emergence of new professions, relevant when considering the introduction of the project management profession in the public sector in 2004. There are strong barriers for establishing new specialist roles as, according to Noordegraaf (2007), the established professions become “*deprofessionalized, corporatized, or proletarianized*” and are forced to adapt. The previous *status* professions therefore face becoming *occupational* professions that encounter organisational control by the new professionals. Conflicts are expected.

Public Governance - coping with complex extended relationships

Public governance has been extensively researched (Andresani and Ferlie, 2006; Brinkerhoff and Brinkerhoff, 2011; Christensen and Lægreid, 2001a; Head, 2008; Hood, 1990; Humphrey and Miller, 2012; James, 2001; Klijn et al., 2010; Meier and O'Toole Jr., 2008; Moore and Hartley, 2008; O'Toole Jr. and Meier, 1999; Pallot, 2003; Reff Pedersen et al., 2011). The variables funding and ownership, used by Andrews et al. (2011), can be encapsulated within this capability. Conceptually, governance creates structures that help stabilise the overall system e.g. in a complex network of organisations with quangos and agencies (Andresani and Ferlie, 2006; Head, 2008; O'Toole Jr. and Meier, 1999), buffers the organization from environmental influences (O'Toole Jr. and Meier, 1999), exploits opportunities in the environment (O'Toole Jr. and Meier, 1999) and *marketisation* of the organisation, bringing it closer to its constituents and focusing it on specific products (Andresani and Ferlie, 2006; Brinkerhoff and Brinkerhoff, 2011). Tensions arise amongst these aspects of governance. For example, markets want to be close to organisations while internal stability requires distancing from constituents to minimise volatility. A distinct challenge to the public organisation is the depth to which external players are allowed and encouraged to penetrate the

inner workings of the organisation. Managers must chart the best course through these competing governance interests.

Public Performance - articulating value across organisational boundaries and time

Public performance is at the pinnacle of public reforms over recent decades. Perception of public performance is pluralistic, reflecting the heterogeneous nature of our society. Performance driven reforms have been described as mechanistic, based on a rational perception of the public sector (Hartley et al., 2002; Moynihan and Pandey, 2005; Walker and Boyne, 2006). Moynihan and Pandey (2005) illustrate the falsity of this approach by observing that there are a number of environmental factors that affect performance but are largely out of their control: support among elected officials and the influence of the public and the media. Hartley et al. (2002:401) propose an alternative to the mechanistic metaphor, an *“organic and processual metaphor (highlighting flow, movement, adaptation, and sense-making)”*, as a better reflection of the dynamic nature of the public sector.

Post-NPM researchers are exploring the non-mechanistic paradigm in practice. Walker and Boyne (2006:388) for instance, conclude that innovative (organic) organisations *“using performance management systems and working closely with service users are likely to achieve high standards.”* Moynihan and Pandey (2005) elaborate on performance management by identifying specific dynamics that are deemed relevant by public sector employees: support of elected officials, the ability to create a developmental organisational culture, a focus on results through goal clarity and decentralised decision authority. One of the challenges of performance management systems is creating a “golden thread” that ensures objectives, targets and indicators are consistent across organisations and levels of organisations (Audit Commission and The Improvement and Development Agency, 2002; Micheli and Neely, 2010).

Key Concepts

The academic discourse on distinctive capabilities highlights a set of core ideas that are relevant to public organising capabilities:

- Public organising requires five capabilities: introducing innovations driven by value defined by the collective, navigating politicised decision-making processes, managing the professional autonomy of the workforce, coping with complex extended relationships, and articulating value across organisational boundaries and time, and
- A deep understanding of the micro-level and meso-level aspects of publicness is lacking.

2.4.3 RQ3: Distinctive Practices Used to Deliver Public Projects

The third literature research question includes three ideas: policy-making, capability building practices and public project guidance.

2.4.3.1 Policy-making

Exploring the distinctive practices of the public sectors begins with a consideration of the core business of an organisation, which is policy-making (Hallsworth, 2011; Hallsworth et al., 2011; Parsons, 1995; Rutter and Hallsworth, 2011). According to the NAO (2001b), policy-making is, *“the translation of government's political priorities and principles into programmes and courses of action to deliver desired changes.”* Policy-making, *“arises from interactions within networks of organisations and individuals”* (Bevir and Rhodes, 2010:94). It is a collective process involving a number of actors representing different institutional perspectives, playing different roles and responding to contemporaneous events (Barzelay, 2003). At its core, policy-making is rooted in parliamentary business and extends out towards the public through the public administration in Whitehall.

As described in the introduction to the SLR, there has been considerable effort placed on improving policy-making over recent decades (Cabinet Office, 1999a; National Audit Office, 2005). Civil servants, politicians and academics remained concerned about the way policy is made and delivered. An endemic issue exists according to Hallsworth et al. (2011:5), *“The gap between theory and reality,”* e.g. the models of policy-making are flawed, the support to create practices is lacking and ministerial involvement is constrained. As a result, *“civil servants often know what they should be doing, but experience difficulties putting it into practice.”* According to Skelley (2008), part of the problem is the persistence of the politics-administration dichotomy that conceptually separates policy formulation and policy implementation. He argues that these are inseparably linked in a number of ways: administrative acts have political consequences, administrators initiate policy, administrators shape policy, civil servants are not politically neutral and legislators investigate and intervene in administrative processes.

Another issue with policy-making results from impaired learning due to a culture and processes that inhibit knowledge management, which is exacerbated by projectification of policy-making: projects end, teams disband and knowledge is not captured before people move on to other work (Rutter and Hallsworth, 2011). *“Policy-making, unlike project management, has no definite beginning and no definite end; and is ongoing rather than about achieving a ‘particular aim’. This failure (or reluctance) to distinguish between project management and policy-making is a critical weakness in the [Cabinet Office's] professional policy model”* (Parsons, 2001:100). The implication is that good project management will not entirely ensure successful policy-making. Projectification of the public management highlights the need for adapted or additional practices, in particular related to knowledge management and learning.

Key Concepts

The academic discourse on policy-making highlights a set of core ideas about distinctive public practices during projectification:

- Project management, currently segregated with policy implementation practices, needs to be integrated with policy development practices, and
- Projectification exposes a deficiency in knowledge management and learning practices in the public sector.

2.4.3.2 Capability Building Practices

Exploring the distinctive practices of the public sectors includes a consideration for capability building. Rwelamila's (2007) review of project management theory and practice suggests that there are few studies of project management capabilities in private business and even fewer in the public sector. However, studies do exist and interest is growing (Cats-Baril and Thompson, 1995; Chan and Kumaraswamy, 2002; Hall and Holt, 2002; Holt and Rowe, 2000; Mazouz et al., 2008; Rwelamila, 2007).

Table 24: Dimensions of Capability Applied to the Public Sector Literature

	Cats-Baril and Thompson (1995)	Holt and Rowe (2000)	Chan and Kumaraswamy (2002)	Hall and Holt (2002)	Rwelamila (2007)	Mazouz et al. (2008)
Values and Norms	<ul style="list-style-type: none"> • Recognise that politics contributes to risk. 			<ul style="list-style-type: none"> • Explicit project management culture. 	<ul style="list-style-type: none"> • Organisation perceived as project oriented. 	
Managerial Systems	<ul style="list-style-type: none"> • Leadership / risk management • Ensure project is aligned. • Unbundle projects. 	<ul style="list-style-type: none"> • Reflective leadership / sponsorship. • Total quality and continual improvement 	<ul style="list-style-type: none"> • Project selection and governance. • Implementation and direction are linked. • Better selection of project managers. 	<ul style="list-style-type: none"> • Sponsorship. • New Management paradigm. • Framework reconciling NPM-related project conflicts. 	<ul style="list-style-type: none"> • Project selection. • Programme Management System. • Leadership of projects. • Centres of excellence. 	<ul style="list-style-type: none"> • New Public Management • Project creation. • Partnership and relationship management
Skills and Knowledge Base		<ul style="list-style-type: none"> • Innovative improvement and learning. • Repository of knowledge. 	<ul style="list-style-type: none"> • Improved training schemes. 		<ul style="list-style-type: none"> • Personnel qualification. • Project management as a career. 	
Technical Systems	<ul style="list-style-type: none"> • First re-engineer, and then automate. 		<ul style="list-style-type: none"> • Contract management • Efficiency of delivery and workflow. 	<ul style="list-style-type: none"> • Effective tendering and contracting. 	<ul style="list-style-type: none"> • Structure individual and team learning. 	<ul style="list-style-type: none"> • Contract management

Source: Author's Application of Leonard-Barton's (1992) Dimensions of Capability

These studies consider public projects in multiple countries with no particular country dominating. Methodologically, researchers used a range of approaches

including case study, questionnaire, survey, literature review, grounded theory analysis, content analysis, and narrative analysis. The types of project were IT, building/infrastructure or public-private partnership related, with infrastructure projects being the most prevalent. To gain insight into capability building practices, lessons learned from each of the research articles are mapped to Leonard-Barton's (1992) core capability model using in Table 24. The technical practices dimension highlights efficiency and contracting practices. The skill and knowledge dimension includes learning systems, skills and knowledge management practices. The managerial systems dimension identifies portfolio management, governance, partnering, leadership and alignment with public sector NPM practices. Values and norms and skill and knowledge related practices are unclear and under-emphasised relative to the others.

Key Concepts

The academic discourse on capability building practices highlights a set of core ideas about distinctive public practices during projectification:

- Values and norms and skills and knowledge were not as heavily considered by the identified research of public project practices, and
- Managerial systems are more heavily considered by research of public project practices.

2.4.3.3 Public Project Guidance

Exploring the distinctive practices of the public sectors considers the available project guidance, observing that that there appears to be limited guidance specifically on public projects. The Association of Project Management Body of Knowledge does not have a specific body of knowledge about public sector projects. The OGC suite of best management guidance (OGC, 2007a; 2007b; 2008a; 2008b; 2008c; 2009a; 2009b) does not identify distinctive public sector practices, although these were primarily developed in a public sector context. Kassel (2008; 2010) and Wirick (2011), on behalf of the Project Management Institute, specifically studied and published guidance on public project management practices. These focused on managing cost, time and scope constraints and generic practices such as planning, team selection, contract management, monitoring and engagement. Ideas of projects as organisations and adapting to public sector practices and realities are lacking.

Key Concepts

The academic discourse on public project guidance highlights a core idea about distinctive public practices during projectification:

- Guidance on public sector project management practices that build distinctive public organising capabilities is lacking.

2.5 Discussion

This SLR was designed to develop a theoretical foundation of PBO in the public sector derived from project, public and organisational management literature. Over 250 articles and additional sources were consulted for relevant topics including strategy, organisational forms and capability. The review showed that organisational management, project management and public management are heavily researched; however, the confluence of these fields has not been heavily researched. This section summarises key concepts using the literature research questions and advances the study by identifying gaps and opportunities for further research.

2.5.1 *Contextual Conditions that Influence Projectification*

The literature identified two long-standing principles of public organising: democratic engagement, transparency. In Britain, the reforms of the New Right and New Labour brought about a shift in public organising from hierarchical bureaucracy to markets and networks (Bevir and Rhodes, 2010; Dunleavy and Hood, 1994; Ferlie et al., 1996; Hood, 1991; Moore, 1995; Osborne and Gaebler, 1993) leading to deeper research into public organisational forms and organising (Arellano-Gault et al., 2013; Boyne and Walker, 2004; Ferlie et al., 2003; Kelman, 2007). As a result, two additional principles of organising have become more important: hybridisation and societal transformation, adding complexity to the modern public organisation.

Organising in the public sector has five distinctive capabilities relating to: public leadership, public professionalism, public governance, public innovation and public performance. These are, respectively:

- Navigating politicised decision-making processes,
- Coping with complex extended relationships,
- Managing the professional autonomy of the workforce,
- Introducing innovations driven by the values of the collective, and
- Articulating value across organisational boundaries and time.

2.5.2 *Capabilities that Support Projectification and PBM*

The conception of project management has changed substantially over the last 60 years. Bredillet's (2010) survey of the field of project management describes the evolution of thought from the founding process optimisation school to include other schools of thought focused on: hard and soft systems, governance, people and teams, success criteria, process mapping, information and decision-making, path dependency, project selection and contingency and stakeholder communication. During the surveyed period, much of the focus of previous project management research was focused at the level of the individual project (Crawford, 2006; Crawford and Turner, 2007). The concept of projects as an organisational capability is a new school of thought that grew progressively from the mid-1990s (Crawford, 2006). For example, in describing programme management,

Pellegrinelli et al. (2007:52) propose that it is “as much about *coping as it is about planning and rational decision making, as much about re-shaping the organisational landscape as it is about delivering.*” The following sections provide a theoretical foundation for capabilities that public organisations need to cope and reshape their organisational landscape during projectification.

From Practices to Competitive Advantage

Key concepts from the literature review:

- There is a conceptual hierarchy of combining underlying resources and organisational practices into routines, capabilities, competencies and ultimately into competitive advantage,
- PMMs have a limited conception of capability and how to create it,
- Critical success frameworks identify at least five perspectives of success: operational processes, structure and governance, organisational behaviour, stakeholder interests and business success.

In order to address the literature research questions, inconsistencies in the language of capability need to be addressed. For example, the terms capability and maturity are often used synonymously in project management. Both terms carry multiple meanings. Some meanings are broad, some narrow; some meanings are technical, others conceptual (Dinsmore and Cooke-Davies, 2006). The terms practices and capability are sometimes used interchangeably. For the purposes of this study, a hierarchical model is defined in Figure 20.

In this model, capabilities are considered as part of the hierarchy leading to competitive advantage. Organisational practices that have been matured to the point when they are embedded in the organisation and have become normal working practices become routines. Routines are combined into one or more capabilities. Capabilities are combined into one or more core competencies that then produce competitive advantage.



Figure 20: Capability as part of a hierarchy leading to competitive advantage

From the perspective of organisational forms, this study concludes that success equates to competitive advantage derived from having the optimum organisational form for the business. It is important to distinguish between the ‘*capabilities of*’ the

organisational form and the ‘*capability to create*’ the organisational form. This study is focused on the latter and has identified five capabilities required to create organisational forms: *maintaining proportionality*, *co-creating with stakeholders*, *maintaining congruence between the dimensions of capability*, *fostering alignment between organisational levels* and *developing routines at pace*. These capabilities presume there is a parent organisation made up of one or many sub-organisations, all of which have their own organisational form. The success of the parent and the sub-organisations are deemed to be related to the five identified capabilities.

Maintaining Proportionality

Key concepts from the literature review:

- There is a continuum of organisational forms from fully-functional to fully-project-based, and
- Functional-based and project-based organisations co-exist in a parent organisation.

The first capability of successful projectification is termed *maintaining proportionality*. This study recognises that there is a plenitude of organisational forms and varying ways to conceive of them. One way to view these is along a continuum, as illustrated in Figure 21. Using the continuum of organisational forms, disproportionality results when the focus of the organisation, the nature of the portfolio of work (PBO and FBO) and organisational capability do not match.

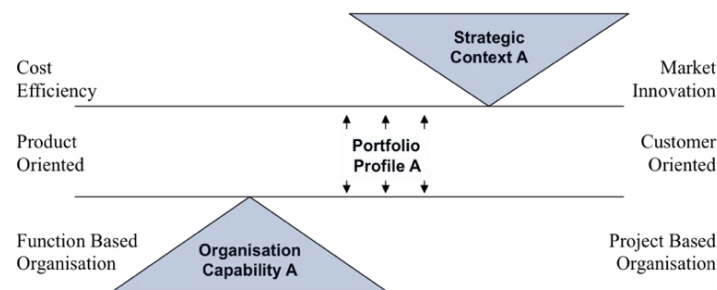


Figure 21: Disproportionality

Source: Author's adaptation of Galbraith (2002) using continuum of organisational forms

The context, orientation and capabilities are not absolute or fixed. These can change, e.g. government policies change, departments are restructured and given new mandates, technology and people change. Organisational success depends on ensuring that the focus of the organisation, the nature of the portfolio and the organisational capability are proportional to one another (Figure 22.) This is a dynamic process.

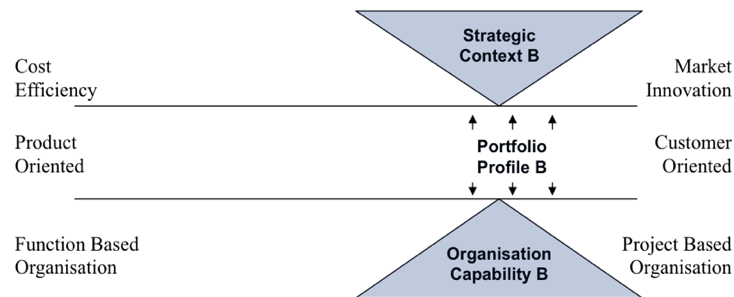


Figure 22: Maintaining Proportionality

Source: Author's adaptation of Galbraith (2002) using continuum of organisational forms

The nature, composition, and scale of production of the core products or services of the business have an important bearing on the appropriateness of the organisational form. In contrast to other forms of organising, the FPBO is “*one in which projects are the primary unit for production, innovation and competition*” (Hobday, 2000:874). According to Hobday (2000), the FPBO is inherently weak where functional-based organisations are strong, such as performing routine tasks, achieving economies of scale, co-ordinating cross-project resources, facilitating company-wide technical development, and promoting organisation-wide learning. According to the study, the FPBO is recognised by its six capabilities related to innovation, investment and strategy, governance, specialism, learning and portfolios.

Co-creating with Stakeholders

A second capability of successful projectification is termed *co-creating with stakeholders*. Based on the literature search, organisations delivering complex products and services (CoPS) projects (Davies and Hobday, 2005; Galbraith, 1973; Hobday and Rush, 1999; 2000; Shenhar, 1998) are well suited to PBO (Hobday, 1998; 2000). CoPS face a complex network of high-involvement stakeholders including regulators, customers, suppliers, and partners.

They must cope with the uncertainty of creating a new market for a product, which is often conceptual or untried and in which error detection and diagnosis are difficult. The classic waterfall approach to projects encourages deconstructing complexity into smaller, understandable constructs that can be analysed, designed, developed, and then integrated at a later date. If the complexity is too great, delayed feedback makes the integration problematic.

In dynamic CoPS project environments, there is “*little repetition of events and long delays between cause and effect*” (Repenning et al., 2001). Söderlund (2002) proposes that project level integration is better handled using principles, rather than planning and feedback systems that have inherent time delays. External complexity is addressed using a “*coupling principle*” (how we work together). This coupling principle is similar to Van de Ven’s (1986:591) concept of “*mutual adaptation*” which states that “*innovations not only adapt to existing organisational and industrial arrangements but they also transform the structure and practice of*

these environments.” This interaction is co-creating change – change that will benefit both sides. Internal complexity is handled using processes for developing and sharing knowledge encapsulated in the organisation’s learning systems (Cooper et al., 2002; Prencipe and Tell, 2001; Söderlund, 2008).

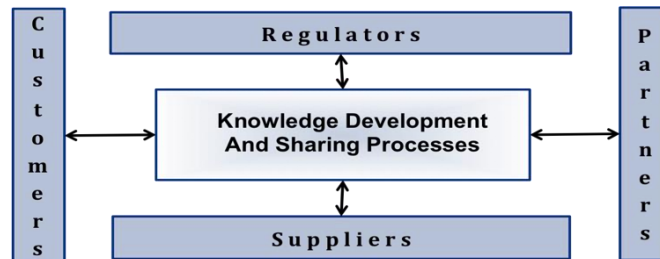


Figure 23: Co-creating with Stakeholders

Source: Author’s interpretation of Hobday (1998), Cooper et al. (2002), Prencipe and Tell (2001) and Söderlund (2008) using continuum of organisational forms

Generalising, PBO is dependent on *co-creating with stakeholders*, which is supported by knowledge development and sharing processes embedded in the organisation’s learning systems.

Fostering Alignment Between Organisational Levels

Key concepts from the literature review:

- PBO is a multi-level phenomenon, operating at individual, group and corporate levels,
- Functional-based and project-based organisations co-exist in a parent organisation,
- Project strategy is a two-directional approach of project strategy informing and being informed by corporate strategy,
- Portfolio management is a contributor to the development and delivery of corporate and project strategy, and
- Public organising requires five capabilities: introducing innovations driven by value defined by the collective, navigating politicised decision-making processes, managing the professional autonomy of the workforce, coping with complex extended relationships and articulating value across organisational boundaries and time.

The third capability of projectification is termed *fostering alignment between organisational levels*. The SLR emphasised the bi-directional and dynamic nature of project strategy in successful organisations, how it operates at multiple levels and how it must link the organisation to its environment (Artto and Wikström, 2005; 2008a; 2008b; Goodman, 2000; Thiry and Deguire, 2007). The literature identifies portfolio, programme and single-project management as important aspects of a PBM, each operating at a different level, each delivering different outputs and conceptions of success. Functional-based organisations operate with different

management levels, which are deemed to be corporate, business unit and individual for the purposes of this discussion (see Figure 24).

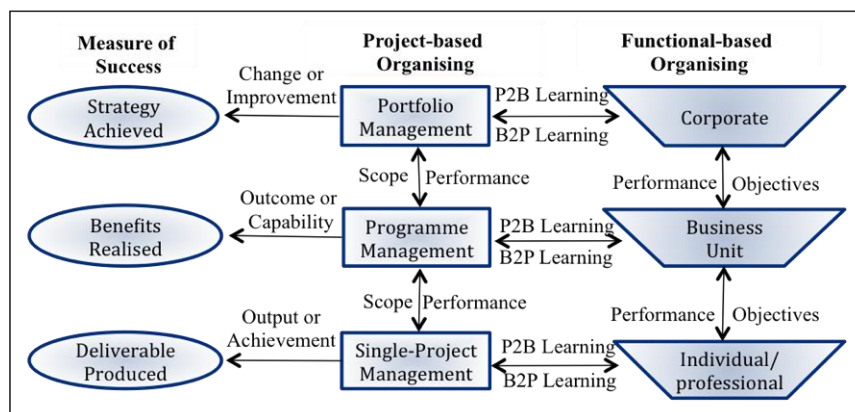


Figure 24: Fostering Alignment between Organisational Levels

Source: Author, inspired by Goodman's (2000:31) schematic of organisational linkages

Extending these ideas further, Goodman (2000) observes that linkages do not inherently exist vertically between levels or horizontally between FBO and PBO. Linkages must be made in all directions and Acha et al. (2005) suggest that project-to-business (P2B) and business-to-project (B2P) learning plays a role in creating and maintaining linkages.

Based on the SLR, public organising requires five capabilities: introducing innovations driven by value defined by the collective, navigating politicised decision-making processes, managing the professional autonomy of the workforce, coping with complex extended relationships and articulating value across organisational boundaries and time. If these capabilities are an inherent part of the organisation, they will have to be represented in the levels of both PBO and FBO, as represented in Figure 24.

Maintaining Congruence between the Dimensions of Capability

Key concepts from the literature review:

- Capabilities have a multi-dimensional and complex nature that includes value and norms, managerial systems, skills and knowledge, and technical systems, and
- Critical success frameworks identify seven perspectives of success: operational processes, structure and governance, organisational behaviour, skills and knowledge, stakeholder interests, business benefit and preparing for the future.

The fourth capability of projectification is termed *maintaining congruence between the dimensions of capability*. This capability is derived from two bodies of knowledge, with one related to project critical success factors and the other to organisational capability. Leonard-Barton's (1992) seminal article examining the nature of core capabilities identifies values and norms, managerial systems, skills

and knowledge base, and technical systems as inter-connected dimensions of an organisational capability.

A consolidated view of critical success factors (see Table 21) was used to identify a set of seven perspectives of success, which can be mapped to Leonard-Barton's model:

- Norms and values: organisational behaviour,
- Managerial systems: structures and governance, business benefit, stakeholder interests and preparing for the future,
- Skills and knowledge: skills and knowledge, and
- Technical systems: operational processes.

This mapping is cursory. Nonetheless, it does confirm the multi-dimensional nature of capability building. For the purposes of this study, Leonard-Barton's dimension serves as a working model to help connect practices and routines to capabilities as illustrated in Figure 20.

Developing Routines at Pace

Key concepts from the literature review:

- Organisational forms can change over time, albeit slowly, during which the relationship between the project or programme and the parent changes,
- Project strategy should consider context, history and future,
- Routines play a key role in the creation, inheritance and destruction of capability,
- Time constrains the development of PBO capability,
- Projectification and programmification are firm-level transformations that alter the organisational form over time, during which the relationship between projects and programmes and the parent organisation changes,
- The bipolarities of capabilities versus rigidities and competence versus incompetency affect organisational success, and
- The PMO is one mechanism for developing routines and moderating the pace at which capabilities are developed.

The fifth capability of projectification is termed *developing routines at pace*. According to the SLR, organisational forms can be changed over time. This study proposes that changes to organisational routines (Ambrosini and Bowman, 2009; Becker, 2004; Feldman, 2000; Feldman and Pentland, 2003; Nelson and Winter, 1982; Pentland and Feldman, 2005; 2008; Pentland et al., 2012; Teece et al., 1997) lead to changes to organisational form, as part of a learning processes (Brady and Davies, 2004; Bresnen et al., 2003; 2005; Keegan and Turner, 2001; 2002; Prencipe and Tell, 2001). Theory suggests that old routines are deconstructed as new routines are constructed and that routines might be inherited if available, leading to organisational change. Otherwise, routines will need to be developed by the

organisation over time. Figure 25 provides a simplified model of organisational form change over time, from the perspectives of FPO and PBO.

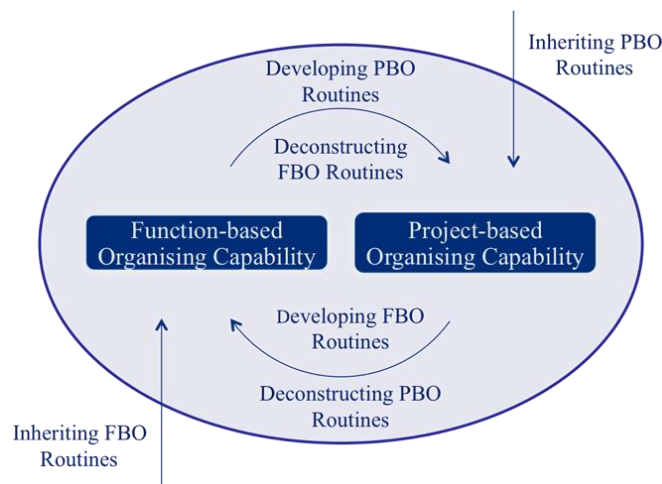


Figure 25: Conceptual Diagram: Changing Organisational Form Over Time

According to this model, the development and inheritance of PBO routines and the deconstruction of FBO routines occur during projectification and programmification. The development of routines can be slow and generally takes longer than the lifetime of an individual project. According to Teece et al. (1997:514), “*resource endowments are ‘sticky:’ at least in the short-term, firms are stuck with what they have and may have to live with what they lack.*” Leonard-Barton (1992) suggests the tardiness could be the result of overuse of routines, leading to core rigidities.

The slow development of routines is not problematic if the business environment allows the change to be made incrementally. However, when faced with an organisational initiative demanding programmification and projectification, an accelerant is required. Recent research of PMOs (Artto et al., 2011; Aubry et al., 2007; Hobbs and Aubry, 2007; 2008; Hobbs et al., 2008; Pellegrinelli and Garagna, 2009; Thiry and Deguire, 2007), suggest that the PMO can be a critical actor in the development of routines. Gareis and Huemann (2000) highlight that organisations must develop specific integrative structures during PBO to deal with the challenges and paradoxes that exist, as there is no natural place for these to be managed in a functional-based organisation. The PMO is positioned to play this role as well.

One particular consideration of projectification is that, as the organisation approaches being an FPBO, the functional organisation ceases its activities. In effect, PBO must embody the business functions that would be conducted elsewhere in a functional or matrix organisation. How this transition occurs is unclear. Routines need to be fluid and adapt. Temporality (Acha et al., 2005; Shenhar, 1998) and processual change become considerations (Pettigrew, 1997).

2.5.3 Practices that Enable PBM Capabilities

Literature research question RQ3 considers the distinctive practices to deliver public projects, in the context of capability and competency building (as illustrated in Figure 20). Specific practitioner guidance on distinctive public sector project management practices is very limited. That which exists is largely concerned with adapting to formal rules and regulations, e.g. procurement and contracting. Active research is required. The identified academic literature is limited and sparse. However, some insights emerge.

Considering the question from a public management perspective, distinct practices that might exist are restricted to policy implementation, as project management is regarded as only supporting policy implementation. This is inadequate, as effective policy-making cannot be compartmentalised into development and implementation (Bacon and Hope, 2013; Rutter and Hallsworth, 2011; Skelley, 2008). It is a contiguous process. With this premise, it follows that project-based practices should be integrated throughout the policy-making process. A second insight is that projectification of policy-making exacerbates knowledge management and learning deficiencies caused by people moving to other work before knowledge is captured or lessons are learned. Adaptations to existing organisational practices or new organisational practices are required. Without these changes, the effect of layering project structures and processes onto existing organisational practices does not offer the promised flexibility and innovation of PBO. Instead, it simply imposes “*traditional bureaucratisation virtues of predictability, accountability, surveillance and control,*” (Hodgson, 2004:98).

Considering the question from a project management perspective, the focus of the research has transitioned from single-project management to multi-project (programme management) and then to portfolio management over recent years. This evolution is consistent with the evolution of general project management theory and reflected in the practitioner guidance changes discussed in the introduction to the SLR (see Section 1.2). This does not seem to provide much insight.

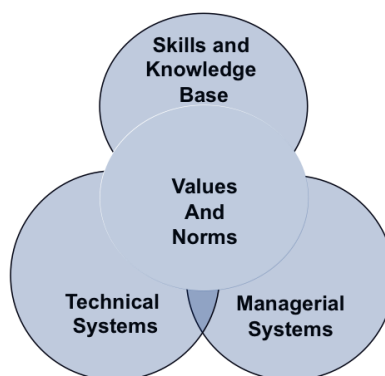


Figure 26: Dimensions of Capability
Source: Leonard-Barton (1992)

Taking another approach, Leonard-Barton’s (1992) model of the dimensions of capability (Figure 26) was used to categorise organisational practices. This demonstrated that the values and norms and skills and knowledge dimensions are

not as heavily considered by the research. The managerial systems dimension is more heavily considered. This is potentially an interesting line of inquiry, but further research is required.

Based on the findings of this study, organisational practices that support the six PBO capabilities would be expected to develop and mature into routines over time. Project-based organisations exhibit six capabilities: *Focusing on Innovative One-Off Complex Undertakings, Making Investment and Strategy Decisions in Advance of Project Initiation, Coping with Extended and Complex Governance, Putting Specialism at the Core of Resource Management, Learning across Organisational and Temporal Boundaries, and Employing a Portfolio Approach to Value Creation.*

However, there was a paucity of data about organisational practices to make this level of analysis possible. Further research is required.

2.5.4 Other Research Opportunities

As a result of this research project, other research opportunities exist. These are identified in this section according to opportunities that arise by considering methodological approaches, theoretical considerations, research target and extensions, generalisation and context, and practitioner focus.

Methodological Approaches

A range of qualitative and quantitative studies could provide further insight into PBO in the public sector. These range from an extended ethnographic study within a public organisation, observing particular behaviours and language around PBO and PBO in the public sector. It might include a pan-organisational quantitative study of organisational practice preferences or priorities by particular groups or between groups. For the purposes of theory building, a qualitative exploration of how the key concepts identified in the SLR are applied in practice within public organisations would be appropriate and useful.

Theoretical Considerations

An organisational capability lens was used to investigate project failure in the public sector. Other theoretical lenses that emerged during the study and might be useful for future research include: leadership, learning, performance management, professionalism, governance and strategy.

Research Target and Extensions

Although insights from other countries were considered, this study focused on PBO in the British Public Sector. A study of North American and European countries may be informative.

Generalisation and Context

This study focused on PBO in the public sector. Studies of additional sectors such as retail, consultancy or law, could help in the generalisation of concepts.

Practitioner Focus

Several practitioner-focused topics came to the fore as part of this study. These include the use of maturity models, the role of the PMO as a facilitator of capability development and the involvement of the parent (functional) organisation in developing PBO routines and capabilities.

2.6 Conclusion

Public projects are known to fail, raising concerns about using projects to deliver public policy. This study explores this problem from the perspective of PBO as a competency that is built over time. The underlying premise is that failures result from the public organisation's inability to organise appropriately as it undergoes projectification, the transition from FBO towards PBO. PBO is one of the most significant structural problems in managing complex organisations (Leonard-Barton, 1992). Yet, we know very little about it (Hobday, 2000). This study adopts an interpretivist research paradigm supported by a constructionist epistemology, idealist ontology and abductive research strategy. The strategy is operationalized using an embedded case study. The results of Project 1 were derived from a SLR targeting the confluence of public, project and organisational management literature.

The preceding sections considered the origin and definition of key concepts, major issues and debates, key epistemological and ontological grounds for the discipline, questions and problems that have been addressed, and how previous research has increased understanding and knowledge. At the end of this study, a number of overall conclusions about projectification in the Public Sector have emerged. These are summarised using three headings: Contextual Conditions Influencing Projectification, Capabilities that Support Projectification and PBM and Organisational Practices that Enable PBM Capabilities.

Contextual Conditions that Influence Projectification in the Public Sector

When faced with major external pressures such as a change of government, new policy initiatives or calls for organisational change (e.g. creation of a new department), public organisations are responding with projectification. Projectification is the process of organisations changing their organisational form, shifting away from FBO and toward PBO.

The study concludes that the *publicness* of the organisation is relevant to projectification. Publicness can be conceived according to four principles:

- Democratic Engagement (engagement of the citizenry in decision making),
- Transparency (ensuring accountability to and scrutiny by public stakeholders),
- Hybridisation (integrating private and public sector ways of working),
- Societal Transformation (or incremental evolution).

The first two are long-standing principles. The latter two have been emphasised by reforms over the recent decades. These principles are seen to be enduring aspects of public organisations, regardless of organisational form.

Capabilities that Support Projectification and PBM in the Public Sector

The study proposes that changing organisational form successfully is a competency. Conceptually, organisational practices mature until they are embedded in the organisation as part of normal working practices, thus becoming routines. Routines are combined into one or more capabilities. Capabilities are combined into a small number of core competencies, which produce competitive advantage and success.

This study identifies and distinguishes the difference between the '*capabilities of*' an organisational form and the '*capability to create*' the organisational form. The study proposes that the ability to change organisational form requires five particular competencies: *maintaining proportionality, co-creating with stakeholders, maintaining congruence between the dimensions of capability, fostering alignment between organisational levels and developing routines at pace.*

The capabilities of the organisation are two-fold and change over time. The FPBO exhibits six capabilities: *Focusing on Innovative One-Off Complex Undertakings, Making Investment and Strategy Decisions in Advance of Project Initiation, Coping with Extended and Complex Governance, Putting Specialism at the Core of Resource Management, Learning across Organisational and Temporal Boundaries and Employing a Portfolio Approach to Value Creation.* These need to be developed during projectification. The capabilities of public organising include: *Introducing innovations driven by value defined by the collective, Navigating politicised decision-making processes, managing the professional autonomy of the workforce, Coping with complex extended relationships and Articulating value across organisational boundaries and time.* These must be accommodated during projectification.

Organisational Practices that Enable PBM Capabilities

The successful delivery of public projects is affected by two sets of capabilities: public organising and PBO (see Table 25). The table suggests that these capabilities are supported by routines related to decision-making, governance, professionalism and specialism, innovation, value and performance and learning and knowledge management.

Table 25: Public Organising and PBO Capabilities

Types of Routines	Public Organising Capabilities	PBO Capability
Decision-making	Navigating Politicised Decision-making Processes	Making Investment and Strategy Decisions in Advance of Project Initiation
Governance	Coping with Complex Extended Relationships	Coping with Extended and Complex Governance
Professionalism and Specialism	Managing the Professional Autonomy of the Workforce	Putting Specialism at the Core of Resource Management
Innovation	Introducing Innovations Driven by Collective Values	Focusing on Innovative One-Off Complex Undertakings
Value and Performance	Articulating Value Across Organisational Boundaries and Time	Employing a Portfolio Approach to Value Creation
Learning and Knowledge Management	Note 1	Learning across Organisational and Temporal Boundaries

Note 1: no capability was identified by this study.

According to theory, creating capabilities means new organisational routines need to be constructed and existing ones deconstructed. What exactly these routines are and how they change over time requires further study.

2.6.1 Contribution to Research

This study was designed to develop an integrated theoretical foundation for projectification in the public sector to frame future research, as the first step of an overall doctoral research programme. The study contributed to theory by synthesising a vast body of project and organisation management literature into a set of five capabilities that are required to successfully transform organisational form during projectification or programmification: maintaining proportionality, co-creating with stakeholders, fostering alignment between organisational levels, maintaining congruence between the dimensions of capability and developing routines at pace. The study also contributed to theory by synthesising a vast body of public, project and organisation management literature into a set of capabilities for PBO and public organising (see Table 25.)

Based on these and other findings, there are several particular implications of the research that have emerged.

Implication R1: The relationship between FBO and PBO is not fully understood during programmification and projectification. Hence, further study of the creation of new routines and destruction of existing routines over time is required.

Implication R2: Capability is relevant to projectification. This study presents a hierarchy of capability: organisational practices are matured into routines, routines support capabilities, capabilities are combined into competencies and competencies provide competitive advantage.

Implication R3: I defined a set of principles for public organising: *democratic engagement, transparency, hybridisation and societal*

transformation. These might support the premise that publicness matters to projectification.

Implication R4: I defined a set of capabilities required for public organising: *Introducing innovations driven by value defined by the collective, Navigating politicised decision-making processes, Managing the professional autonomy of the workforce, Coping with complex extended relationships, and Articulating value across organisational boundaries and time*. These might support the premise that publicness matters to PBM.

Implication R5: The project is not an appropriate unit of analysis for projectification, as PBO interacts with FBO in a parent organisation during projectification. Hence, a broader organisational unit of analysis is required, termed the *organisational unit* in this study.

Implication R6: I developed a conceptual model for dynamic organising based on the construction, destruction and inheritance of PBO and FBO routines. This model can be used to describe how organisational forms change during projectification.

Implication R7: The theoretical foundation of projectification is not fully developed. Hence, I derived a set of capabilities for changing organisational form: *Developing Routines at Pace, Maintaining Alignment across Organisational Levels, Co-producing with Stakeholders, Maintaining Proportionality, and Fostering Congruence between the Dimensions of Capability*.

Implication R8: The theoretical foundation of PMM models is weak. Hence, I derived a set of six capabilities required by a FPBO: *Focusing on Innovative One-Off Complex Undertakings, Making Investment and Strategy Decisions in Advance of Project Initiation, Coping with Extended and Complex Governance, Putting Specialism at the Core of Resource Management, Learning across Organisational and Temporal Boundaries, and Employing a Portfolio Approach to Value Creation*.

2.6.2 Contribution to Practice

This study explored the existing public, organisation and project management practices. Based on the findings, there are a number of implications to practitioners:

Implication P1: Historically, project management has been restricted to the domain of policy implementation. More recently, project strategy is considered to be bi-directional process that informs the parent

organisation and the projects. Because policy-making cannot be compartmentalised into policy development and implementation, it follows that project strategy (and other practices) should be incorporated into the entire policy-making process.

Implication P2: Given the identified limitations, the existing PMMs should be used cautiously as they are inadequate for measuring capabilities.

Implication P3: The framework used to review departmental capability has limitations when viewed through the lens of projectification and, if PBO in the civil service is to improve, it should be augmented to include PBO capabilities.

Implication P4: Publicness matters to project management. Hence, policy and project management practitioners need to consider what organisational practices are not found in generic project management guidance.

Implication P5: Currently, the PMO is not conceived as a facilitator of change. The creation of capabilities during projectification and programmification is complex. Given the process takes longer than most individual projects' lifetime, the facilitating actor exists outside individual projects. The study suggests that PMOs should play this role.

3 Project 2 – Enablers and Challenges of PBM Capability

3.1 Abstract

Purpose: This study explores projectification (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014), the increased use of PBO, in public organisations. The study views success through the lens of organisational capabilities. This study considers this phenomenon by exploring the *enabling organisational practices* (enablers) and *challenged organisational practices* (challenges) to developing PBM capability in the public sector.

Design: This study adopts an interpretivist research paradigm supported by a constructionist epistemology, idealist ontology and abductive research strategy. The strategy is operationalized using an embedded case study of six directorates in the DoH during the early phases of the NSRIP. This study uses 20 semi-structured interviews and secondary archival sources.

Findings: The studied organisational units had recently adopted PBM, with more than half of their work managed through projects. The three major perceived benefits of adopting PBO are identified as: *improved accountability and transparency, a strategic approach to managing change* and *the ability to mobilise rapidly*. The study identified 38 enablers of PBM capability in the public sector, with nine being dominant (broadly and frequently identified). The study also identifies 28 challenges of developing PBM capability, with 11 being dominant. Five of these dominant challenges were distinctive to the Civil Service.

Researcher Implications: The study added a seventh PBM capability, '*Facilitating Organisational Change*,' to the six identified in the preceding SLR. This study concludes that publicness matters to PBM and proposes a PBM Capability Development Framework for public according to Leonard-Barton's (1992) model, which includes 17 practices to address.

Practitioner Implications: The study encourages Civil Service organisations to review their approach to public projects considering their values and norms, managerial systems, skills and knowledge and technical systems, particularly considering the distinctive challenges: *Conflict Between Project Management and Policy-making Specialists, Continual Construction of Value and Purpose, Volatile Nature of Ministerial and Parliamentary Decision-making, Continual Review and Public Scrutiny*, and *Need to Have Other Civil Service PBM Experience*.

Key words: projectification, project-based, organisational form, public sector, civil service, capability, success, actors, PMO, practices, enablers, challenges

3.2 Introduction

Despite the growth in the use of projects, there is relatively little research on how organisations develop PBM capabilities (Acha et al., 2005) and a paucity of research of projectification, PBM or PBO in the public sector. This thesis explores projectification (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014), the increased use of PBO, in public organisations. The thesis views project success through the lens of organisational capabilities (Crawford, 2006).

The preceding project was an SLR that provided an integrated theoretical foundation, based on the exploration of the literature found at the confluence of public, project and organisational management. According to the preceding study, FBO and PBO co-exist in organisations and organisations that undergo projectification shift the balance between FBO and PBO. When more of the work is managed using PBO, the organisation is deemed to be using PBM for the purposes of this study.

The previous study described a framework for building capabilities, whereby organisational practices are matured and embedded in an organisation, thus becoming a routine. Routines are grouped together to form capabilities. The study concluded that as PBM capabilities are developed, the relationship between a parent organisation and the PBO and FBO of an organisational sub-unit matters. However, how this is manifested is not fully understood and requires further investigation.

Projectification shifts organisations closer to becoming an FPBO, with an FPBO exhibiting six capabilities: *Focusing on Innovative One-Off Complex Undertakings*, *Making Investment and Strategy Decisions in Advance of Project Initiation*, *Coping with Extended and Complex Governance*, *Putting Specialism at the Core of Resource Management*, *Learning across Organisational and Temporal Boundaries* and *Employing a Portfolio Approach to Value Creation*. This study proposes that these capabilities are developed during projectification. The organisational practices that support these capabilities are not clear from Project 1.

The preceding project concluded that the *publicness* of the organisation is relevant to projectification. Public organising exhibits five capabilities: *Introducing innovations driven by value defined by the collective*, *Navigating politicised decision-making processes*, *Managing the professional autonomy of the workforce*, *Coping with complex extended relationships* and *Articulating value across organisational boundaries and time*. This study proposes that these capabilities must be accommodated by projectification in the public sector.

The organisational practices that create these capabilities is unclear, which becomes a particular interest for this study.

3.3 Research Design

This chapter describes the research design for this study, which is adapted from a protocol proposed by Blaikie (2000) as illustrated in Figure 27.

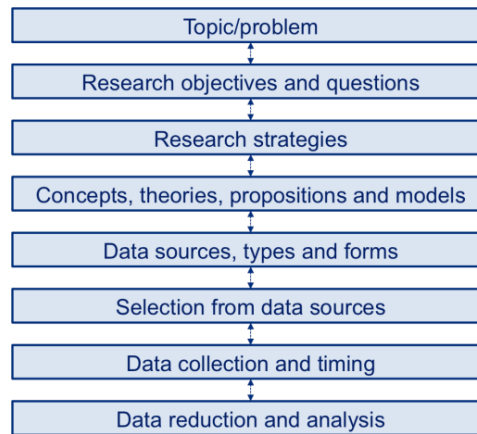


Figure 27: Core Elements of Social Research Design

The overall thesis topic was introduced in the preceding introductory section. The remaining research design topics are discussed in the following sections. Section 3.3.1 defines the specific research objectives and questions. Section 3.3.2 describes the overall research strategy. Section 3.3.3 explores the concepts, theories, propositions and models relevant to this study. Section 3.3.4 identifies data sources, types and forms, and is followed by section 3.3.5, which summarises the selection of data sources. Section 3.3.6 outlines the data collection methods and timing. Section 3.3.7 outlines the data reduction and analysis processes. Subsequently, section 3.3.8 assesses the quality of the research design to affirm that the research protocol adheres to the principles of quality empirical social research. Finally, section 3.3.9 highlights some of the limitations of this study. Development of the research methodology, although described here as being linear, was iterative and cyclical in nature.

3.3.1 Research Objective and Questions

The overarching research objective of Project 2 is to understand the practices that are required for successful projectification. This overarching question is translated into specific propositions using the concepts, theories and models identified in Project 1. Details of the propositions are derived from specific references identified in the previous literature review.

The first consideration is the contextual conditions of PBM (Engwall, 2003) and how variations in the extent of PBO may exist between sectors. According to the findings of Project 1, the extent to which an organisation is project-based varies along a continuum (Hobday, 2000), with an FPBO exhibiting a particular set of capabilities. For the purposes of this project, PBM exists when FBO and PBO co-exist, but PBO is favoured over FBO. The concept of PBO is inferred by terms such as *project management*, *programme management* (Pellegrinelli, 1997) and, to a

lesser degree, *portfolio management* (Turner and Müller, 2003). The underlying proposition for these questions is that the extent of PBO is dependent on the degree to which a formal portfolio, programme and project management system exists. Programme management and project management are investigated together as these terms were not uniformly differentiated during the preliminary testing of this question with potential research participants (RQ4). Portfolio management is differentiated in practice and is investigated separately (RQ5.)

Research Question	Propositions to Test	Literature References from Project 1
RQ4: To what extent are programmes and projects used during projectification in the Civil Service?	The extent that programmes and projects are used relates to the extent of PBO.	<ul style="list-style-type: none"> • Definition of projectification (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014) • Continuum of organisational forms (Hobday, 2000) • Definition of programme (Pellegrinelli, 1997) • The relevance of context (Engwall, 2003)
RQ5: To what extent are portfolios used during projectification in the Civil Service?	The extent that portfolio management is used relates to the extent of PBO.	<ul style="list-style-type: none"> • Definition of projectification (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014) • Definition of portfolio management (Turner and Müller, 2003) • Portfolio management as part of PBO (Thiry and Deguire, 2007)

The next question considers the reasons that public organisations adopt PBO as a way of working. Theory suggests that PBO is adopted to help organisations cope with change (Pellegrinelli et al., 2007) and introduces visibility, transparency and accountability (Crawford and Turner, 2007). The reasons that public organisations adopt PBO might vary with context (Martinsuo et al., 2006) and industry sector (Gann and Salter, 2000). Using single-project, programme and portfolio management as a proxy for PBM, RQ6 considers why public organisations adopt PBO.

Research Question	Proposition to Test	Literature References
RQ6: Why do civil service organisations use single-project, programme and portfolio management?	PBO provides benefits to the Civil Service and, as an organisational form, will help the organisation to cope with a fast-changing environment and manage internal complexity.	<ul style="list-style-type: none"> • PBM fosters visibility, transparency and accountability (Crawford and Turner, 2007) • Coping with change (Pellegrinelli et al., 2007) • PBM can be adapted to the organisation (Martinsuo et al., 2006) • Sector nuances to PBO (Pellegrinelli et al., 2007; Gann and Salter, 2000)

There is relatively little research on how organisations develop PBM capabilities (Acha et al., 2005). According to Project 1, FPBOs have six capabilities, but how these are manifested is unclear. Also according to Project 1, there is a paucity of research in public projects, although some target research exists (Cats-Baril and Thompson, 1995; Chan and Kumaraswamy, 2002; Hall and Holt, 2002; Holt and Rowe, 2000; Mazouz et al., 2008; Rwelamila, 2007). Further study to address these gaps is required.

Project 1 revealed some of the paradoxes that exist when developing capabilities; in particular, capability becomes incompetence when under-utilised and rigidity when over-utilised (Leonard-Barton, 1992). There is a recognising that practices may be working well, termed *enabling organisational practices or enablers*, or not working well, termed *challenged organisational practices or challenges*. Hence, this study considers the enablers of PBM capabilities in the public sector using RQ7 and the challenges of PBM capabilities in the public sector using RQ8. Project 1 defined a set of principles of organising in the public sector. Using RQ8, this study tests the proposition that these will affect the development of PBM and exist as challenges.

Research Question	Proposition to Test	Literature References from Project 1
RQ7: What are the enablers of PBM in the Civil Service? Which are distinctive to the public sector?	Enablers of PBM capability in the public sector are enablers of the six capabilities of FPBOs: <ul style="list-style-type: none"> • Focusing on Innovative One-Off Complex Undertakings, • Making Investment and Strategy Decisions in Advance of Project Initiation, • Coping with Extended and Complex Governance, • Putting Specialism at the Core of Resource Management, • Learning across Organisational and Temporal Boundaries, and • Employing a Portfolio Approach to Value Creation. 	<ul style="list-style-type: none"> • Capabilities of an FPBO - (DeFillippi and Arthur, 1998) • Public sector practices (Cats-Baril and Thompson, 1995; Chan and Kumaraswamy, 2002; Hall and Holt, 2002; Holt and Rowe, 2000; Mazouz et al., 2008; Rwelamila, 2007).
RQ8: What are the challenges of PBM in the Civil Service? Which are distinctive to the public sector?	The distinctive challenges to PBM in the Civil Service relate to the principles of organising in the public sector: <ul style="list-style-type: none"> • Democratic engagement, • Transparency, • Hybridisation, and • Societal transformation. 	<ul style="list-style-type: none"> • Public sector organising principles: (Boyne, 2002; Dixon et al., 1998; Greer and Hoggett, 1999; Hartley et al., 2002; Kelman, 2005; McAuley et al., 2000; Quinn and Cameron, 1988)

3.3.2 Research Strategy

Project 2 adopts an interpretivist research paradigm supported by a constructionist epistemology, idealist ontology and abductive research strategy, as described in section 1.3.1 of the linking document.

The nature of the questions affects the design and operationalization of the research paradigm. Yin (2009:8-10) identifies five different research methods: *experiment, history, case study, survey, and archival text analysis*. Each of these approaches is more relevant depending on the form of the research questions, the need to control behaviour elements, and whether the study is contemporary or not. All of these are suitable approaches for research driven by exploratory *what questions* (RQ7, RQ8), in which case any method may be used. However, the *why questions* of this research (RQ4, RQ5 and RQ6) favour the use of case study, experiment and history.

Experiment is used when behaviour elements need to be controlled and hypotheses need to be tested. As this is not the case in this research, it can be excluded. This leaves the use of case study and history. Case study is suitable as it is often used to explain causal links or perceptions and can be used to explore the

nuances of projectification in the public sector. However, history is also relevant, particularly for explaining the impact of historical decisions on PPM capability development.

The nested nature of PBM – with projects operating within programmes operating within portfolios, which in turn operate within parent organisations – suggests a nested approach to the research. Yin (2009) terms nested research as an ‘*embedded*’, in contrast to a ‘*holistic*’, case study design. The holistic approach is advantageous “*when no logical subunits can be identified or when the relative theory underlying the case study is itself of a holistic nature*” (Yin, 2009: 50). A typical problem with the holistic approach is that it may be conducted at an unduly abstract level and the nature of the study may shift unwittingly. The embedded study overcomes this deficiency. However, with embedded research, it is important to return to the larger unit of analysis so that the original phenomenon, (i.e. projectification), becomes the target and not the context of the study.

What constitutes a case study has been a matter of debate. Yin’s (2009:18) definition is “*a case study is an empirical inquiry that investigates a contemporary phenomenon in depth and within its real-life context, especially when the boundaries between phenomenon and context are not clearly evident.*” The ‘*phenomenon*’ in Yin’s definition covers a range of possibilities. In this case study, the phenomenon is PBM and the context is ‘*the organisation.*’ The definition of the organisation in this case is discussed further in section 3.3.4 below.

The literature on social science research methods highlights the weaknesses found in single method data collection. To compensate, the literature advocates a multiple method approach either explicitly or implicitly. Mixed method research uses the same research questions but different methods to collect complementary data and to conduct counterpart analysis. For the purposes of this research, history (archival text analysis) is the complementary method.

Yin (2009: 47) suggests that the rationale for selecting a particular case can be that it is a critical case (used to test a well-formulated theory), an extreme case (for rare situations where any single case is worth documenting), a typical case (a common situation), a revelatory case (for a difficult to analyse phenomenon), or a longitudinal case (a single case at two or more points). This case study is designed as a typical case.

In conclusion, an interpretivist research paradigm is adopted, along with an abductive research strategy that is implemented using an embedded case study. The case study will be a typical case that is used to test theory across ‘cases’ or across parts of the embedded case.

3.3.3 Concepts, Theories, Propositions and Models

The case study is conceived using the concepts, theories, propositions and models explored in the preceding systematic review of the literature. In particular, this

project considers organisational forms with a particular interest in those that are more project-based and are conducting PBM.

3.3.3.1 Capabilities

For this study, success is viewed through the lens of organisational capabilities. The concept of organisational capabilities is rooted in the resource-based view of the firm. Leonard-Barton's (1988; 1992) seminal articles examine the nature of (*core*) capabilities of the firm and establish a definition for organisational capability, which is adopted in this thesis. Leonard-Barton's (1992:113) defines a core capability as "*the knowledge set that distinguishes and provides a competitive advantage.*" As the environment in which the organisation operates continually changes, the core capabilities of the firm need to evolve. Importantly, Leonard-Barton (1992:112) states that, "*Corporate survival depends upon successfully managing that evolution,*" for example during projectification. Capabilities are considered to be part of the hierarchy that leads to competitive advantage. In this hierarchy, organisational practices and resources are combined into routines. Routines are combined into one or more capabilities. Capabilities are combined into one or more core competencies, which produce competitive advantages and success.

3.3.3.2 Project-based Management

As defined in Project 1, FBO and PBO co-exist in organisations and organisations that undergo projectification shift the balance between FBO and PBO. When more of the work is managed using PBO, the organisation is deemed to be using PBM for the purposes of this study.

3.3.3.3 Fully Project-Based Organisation Capabilities

Based on Project 1, FPBO exhibit six capabilities (DeFillippi and Arthur, 1998; Gann and Salter, 2000; Hobday, 2000; Martinsuo et al., 2006):

- Focusing on Innovative One-Off Complex Undertakings,
- Making Investment and Strategy Decisions in Advance of Project Initiation,
- Coping with Extended and Complex Governance,
- Putting Specialism at the Core of Resource Management,
- Learning across Organisational and Temporal Boundaries, and
- Employing a Portfolio Approach to Value Creation.

These capabilities form a framework for investigating PBM.

3.3.3.4 Organising in the Public Sector

This study considers the contextual conditions of projectification. The organisational context is the public sector and, based on Project 1, the capabilities of public organising include:

- Introducing innovations driven by value defined by the collective,
- Navigating politicised decision-making processes,
- Managing the professional autonomy of the workforce,
- Coping with complex extended relationships, and
- Articulating value across organisational boundaries and time.

The proposition is that these will affect the development of PBM capabilities during projectification.

3.3.3.5 Dimensions of Capability

Leonard-Barton (1992) presents four dimensions to core capabilities: technical systems, skills and knowledge, managerial systems, and values and norms. Core capability's content is embodied in (2) employee skills and knowledge and embedded in (1) technical systems. The process of knowledge creation and control is guided by (3) managerial systems. Values and Norms (4) are associated with the various types of embodied and embedded knowledge and with the processes of knowledge creation and control. The four aspects are interrelated, with each supporting and supported by the other three. Values in particular permeate the other dimensions of a core capability and take on a type of integrating role. Importantly, core capabilities exist only after they are embedded in the organisation or are institutionalised.

3.3.3.6 Enablers to and Challenges of Capability

Leonard-Barton (1992) describes how core capabilities are paradoxical in that as they strengthen they become core rigidities making further innovation and change difficult. Core rigidities are the result of overuse of *meta-routines* that have contributed to the development of capabilities. *Meta-routines* are not neutral; these deeply embedded knowledge sets actively create problems when over-used (or under-used). In this way, the underlying dimensions of core capabilities simultaneously enable and challenge organisational development.

3.3.4 Data Sources, Types and Forms

As established, the research strategy of this study is operationalized using an embedded case study supported by archival text. Data sources, types and forms are developed below.

3.3.4.1 Departments

This study is intended to be a single embedded case to explore projectification in the public sector. The Civil Service is at the heart of the public sector and

organisationally is composed of departments. In this way, the department is the top unit of analysis for this embedded study and can be termed the '*parent organisation*'.

The structure of the leadership team in the Civil Service is particular. The Senior Civil Service (SCS) provide overall leadership of departments. Using a simplified version of the SCS structure (see Figure 28), the leadership hierarchy includes Deputy Directors who report to Directors, who report to Directors General, who report to Permanent Secretaries, who ultimately report to the overall Head of the Civil Service. There are variations, but this is fairly representative. Permanent Secretaries are formally accountable for the overall Department or a major part of a department if there is more than one Permanent Secretary in a department. Reporting to the Permanent Secretary, Directors General are *delegated* accountable for a directorate by the Permanent Secretary. A directorate is composed of divisions or equivalents that are generally headed by a Director. Deputy Directors are given responsibilities for a specific area of the directorate.

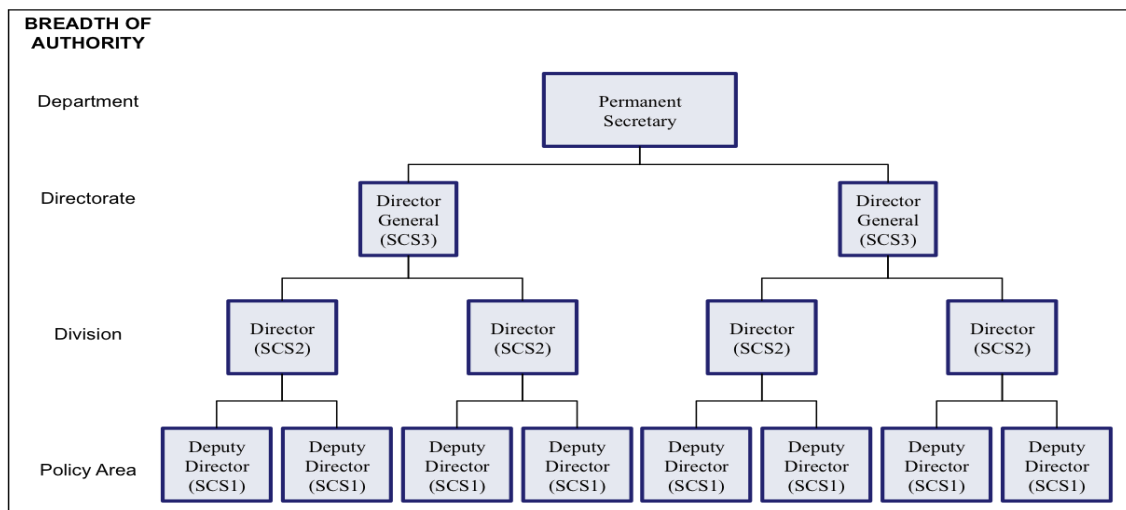


Figure 28: Generic Structure of the Senior Civil Service

3.3.4.2 Corporate Programmes

Programmes and projects form in departments as policy initiatives take shape and end when completed. The existence of large corporate programmes is useful for identifying data sources, types and forms for this study. Critical contributors to corporate programmes include Executives (Exec), Business Leads (BL), Programme and Project Management (PPM), Policy Lead (PL) and Central sources.

Exec Sources include Directors and Directors General, higher-ranking members of the SCS. In addition to the functional responsibilities of running departments, directorates and divisions, SCSs also have direct accountability for implementing policy. A programme or project sponsorship role is formally known as a Senior Responsible Owner (SRO) in the Civil Service. Although it is possible for any civil servant to be an SRO, larger policy implementations require Directors General or

Directors to be the SRO due to the size or complexity of the associated programme. In the case of a corporate programme, Directors General or Directors have formal leadership responsibilities for both the FBO and PBO within a Civil Service organisation. It is these Directors General and Directors that are Exec Sources.

BL Sources are individuals in roles that provide strategic and management support to the executives of a directorate. Within the DoH, these individuals have a role titled *Business Lead* and have various titles such as Head of Business Support and Planning, Head of Programme Office and Head of Business Assurance Unit. The executive, as already established, has functional-based and project-based accountabilities. Hence, BL sources must also interact with both FBO and PBO.

PPM Sources are individuals in roles responsible for programme and project related activities within an organisational unit. These individual are in roles such as Programme Director, Programme Manager, or Project Manager. As an organisation becomes more project-based, the relative density of project-based sources increases. As an organisation becomes more functional, the relative density of project-based sources decreases. Directorates with significant programmes or projects place senior and more experienced Programme Managers or Project Managers against the work and these individuals are deemed to be the preferred sources of data for this study.

PL Sources are individuals in roles responsible for translating the government's political vision or desires into programmes or activities that deliver the outcomes and changes sought. These individuals may or may not be involved with programmes or projects in a PBM sense of these words as not all activities are managed in this way. PLs are instrumental in analysing policy problems, advising SCSs or ministers on options, and then implementing the courses of action that result.

Central Sources are pan-departmental in nature and provide a perspective of the department rather than that of any single policy area of the department. Two main types of central resource have been identified for this study: individuals with a central, or corporate, responsibility within the department and corporate archival documents, which include annual reports, Departmental Capability Review Reports, government documents and web pages.

3.3.5 Source Selection

3.3.5.1 The Department

A list of potential departments for the case study was extracted from the ONS Civil Service Statistics and sorted by size (Figure 29). The very large, conglomerate departments were excluded in favour of mid-sized, unified departments. Small, non-ministerial and devolved government departments were excluded due their small size and lack of resources. The Department for the Environment and Climate Control (DECC) was excluded because it had only been created the year before this

study was started and its work programme was focused on internal changes. Security and Intelligence Services was also excluded due to expected limitations on access to people and data.

<p>Both Policy-Making and Service Delivery (large: > 11,000 full-time equivalent employees)</p> <ul style="list-style-type: none"> • Department of Works and Pensions (DWP) • HM Revenue and Customs (HMRC) • Ministry of Justice (MoJ) • Ministry of Defence (MoD) • Home Office (HO) • Department for Transport (DfT)
<p>Policy-Making (mid-size; 2,000 to 11,000 full-time equivalent employees)</p> <ul style="list-style-type: none"> • Scotland Office – Scottish Government * • Department for the Environment Food and Rural Affairs (DEFRA) • Attorney General's Office • Department of Business, Enterprise and Regulatory Reform (BERR) • Foreign and Commonwealth Office (FCO) • Wales Office - Welsh Assembly * • Department of Health (DoH) • Security and Intelligence Services • Department of Communities and Local Government (DCLG) • Department of Children, Schools, and Families (DCSF) • Department for the Environment, and Climate Control (DECC) • UK Statistics Authority * • OFSTED *
<p>Policy-Making (small-size: less than 2000 full-time equivalent employees)</p> <ul style="list-style-type: none"> • Cabinet Office (CO) • Department of Innovation, Universities and Skills (DIUS) • Chancellor's other departments • Department for International Development (DfID) • HM Treasury (HMT) • Department of Culture, Media and Sport (DCMS) • Charity Commission * • Export Credits Guarantee Department * • Northern Ireland Office * • Government Equalities Office *

Note: small departments are marked with an asterisk

Note: the short-listed departments are emboldened

Figure 29: Civil Government Departments
Source: ONS Civil Service Statistics (Q4 2008)

Five departments remain (embolden in Figure 29.) From this shortlist of departments, the DoH was selected as the preferred organisation. It had a significant set of corporate programmes, including the National Programme for Information Technology. To reinforce the value of selecting the DoH, Greer (2007:7) notes that the DoH is especially important in broader debates about the future of the Civil Service, *"More than any other department, it is the Whitehall that governments want. It is one of the purest products of the delivery-oriented business like 'new public management' that has been orthodoxy in the UK since the 1980s. Relative to the other departments, it is focused on 'delivery' rather than policy analysis; the top ranks are almost completely free of the generalist civil servants that have so often frustrated politicians; it is extremely politically responsive; it operates through an array of quangos rather than directly administering or providing services; it has a strong managerial ethos that includes accountability for failure [...]"*

on present trends, it is the future of Whitehall, and that means that its strengths and weaknesses should be examined by more than health policy analysts.” The other departments, (DEFRA, BERR, FCO and DCLG), were alternatives if access to DoH sources became problematic.

3.3.5.2 The Corporate Programme

The DoH Departmental Risk Register identifies key business challenges, including corporate programmes. The April 2009 register is summarised in Table 26.

Table 26: DoH – Top Departmental Risks

	High Risk	High-Medium Risk	Medium-Low Risk	Low Risk
Policy-making (early stage)		Health Inequalities	NSR Implementation	
		Adult Social Care	Healthcare Associated Infections	
Policy-making (late stage)	Pandemic Flu	National Programme for IT Implementation	Modernising Medical Careers	
Legislation and Finance			Equal pay	Professional Standards Programme
Internal Operations			DoH Capability Development	
	Emergency Preparedness	DoH Compliance with Equality Duties	Info. Management Assurance	

Source: Derived from the Departmental Risk Register from the DoH Risk Forum (April 2009)

To select a corporate programme to study, I categorised the corporate risks into four types: policy-making (early stage), policy-making (late stage), legislation and finance, and internal operations. Given that the study is exploring PBO, the internal operations, and legislation and finance programmes were excluded from the study. I excluded the three programmes that were in the later stages of policy implementation: Pandemic Flu, National Programme for IT Implementation and Modernising Medical Careers. Many of the individuals involved with the earlier stage work had already moved on to other work.

Of the early stage policy-making, I was interested in programmes that were already moving into implementation and project-based ways of working were underway; hence, this excluded Health Inequalities and Adult Social Care, which were just forming at the time of the study. This left two corporate programmes as potential areas of study: Healthcare Associated Infections (HAI) Programme or NSRIP. The HAI programme was focused on one area of the Department and although insights might be discovered, it was felt that insights of PBM might be too biased by data coming only from one small area of the Department. The NSRIP had a broader involvement of policy-makers across the departments, which I felt would provide a better insight into the overall departmental working, and it was therefore selected.

3.3.5.3 The Next Stage Review

This study explores the NSRIP as an embedded case study of PBM. The NSRIP is an example of policy work being developed in a Civil Service context and was designed to implement recommendations of the report *High Quality Care for All: NHS Next Stage Review*. The report was published at the time of the 60th anniversary of the NHS. The consultation for the review was initiated after a 10-year period of heavy financial investment into the service designed to address previously unaddressed capacity issues. The new policy direction sought to respond to six key challenges facing the service (Department of Health, 2008):

- Rising patient expectations,
- Demographic changes affecting health services,
- Health in an information age,
- The changing nature of disease,
- Advances in treatments, and
- The changing health workplace.

The NSR policy development began in the summer of 2007. The Prime Minister, Chancellor and Secretary of State for Health asked Lord Darzi to lead the development of the next phase of the overall policy direction for the NHS. The interim report *“Our NHS Our future: NHS Next Stage Review”* was published on 4 October 2007, after preliminary consultations with stakeholders. The full review *“High quality care for all: NHS Next Stage Review”* was published on 30 June 2008 after a highly consultative process that involved over 2,000 clinicians and 60,000 people across England. It developed regional visions that reflected local needs and one national vision captured under the banner *“high quality care for everyone.”* The final result of the review was a major restructuring of health policy. The report led to establishing the NSRIP and calling upon policy-makers from across the DoH to implement the recommendations.

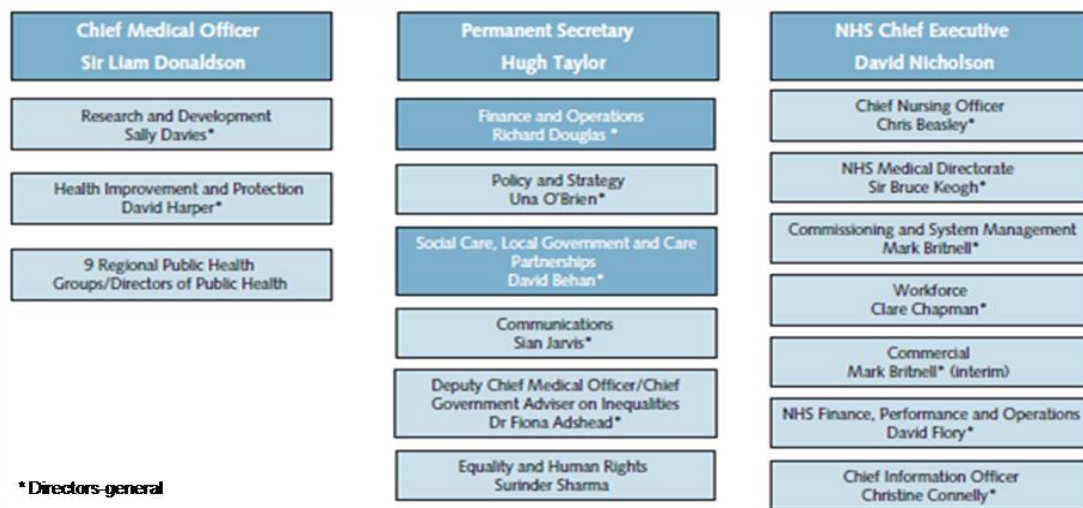


Figure 30: DoH Organisational Chart
Source: DoH 2009 Annual Report

At the time of this study, there were 16 directorates in the DoH. The six largest directorates and those most involved with the NSR Implementation included Commissioning and Systems Management Directorate, Workforce Directorate,

Health Improvement and Protection Directorate, Policy and Strategy Directorate, NHS Medical Directorate, and Informatics Directorate (Figure 31.)

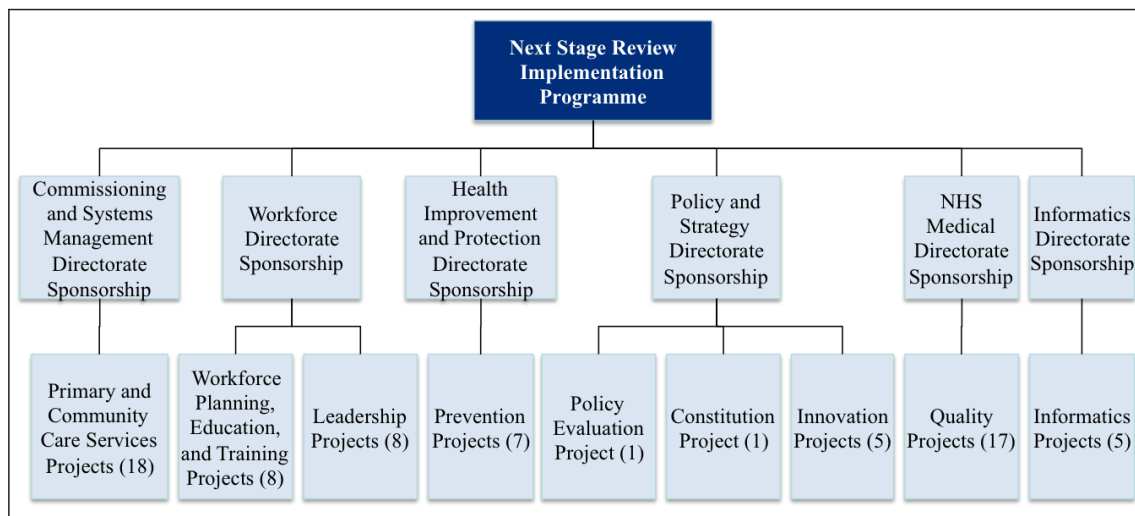


Figure 31: NSRIP Structure

The NSRIP was the largest in known memory of those involved. There were 70 policy areas identified in its final scoping (see Appendix 3: Project 2 - NSRIP – List of Projects). Because of its breadth, complexity and impact, the programme was elevated to one of the top risks for the Department and monitored at an executive level. There was one overall sponsor supported by six other sponsors for key parts of the programme. Figure 31 identifies the number of projects for each theme and the sponsoring directorate. There was a designated corporate-level programme office for the programme supported by six other programme offices from each sponsored theme. There were an estimated 26 executives (SCSs) leading different workstreams, with 30 policy leads, and 10 full-time project managers supporting them.

3.3.6 Data Collection and Timing

This study explores the NSRIP during its early stage, March to September 2009. In advance of formal data collection, approval of and support for this research was sought and given by the Head of Profession for PPM at the DoH. He agreed to support data collection for research purposes and provided some initial direction for the study. Formal ethics approval from the Department was requested from the Director General of Research and Development. Her officials deemed it unnecessary to go through a formal ethics panel because neither patients nor regulated areas, such as tissue banks or clinical trials, were involved.

Following agreement, data collection was carried out using a combination of semi-structured interviews, and the collection of historical information, as appropriate. Semi-structured interviews were conducted with Central, Executive (Exec), Programme and Project Manager (PPM), Business Lead (BL), Policy Lead (PL) and Central sources, each of whom was a participant in the NSRIP. Historical

information was extracted from the formal capability reviews of the department and *ad hoc* information provided by interviewees. Sources external to the delivery of the programme were not interviewed as the study was focused on the organisational response to delivering the NSRIP and internal interviewees were most relevant.

The potential population of sources was identified. The central resources were affiliated with the PPM Centre of Excellent (CoE) function and included individuals such as the Head of Profession for PPM, Departmental Board Champion for PPM, the PPM Lead, and Head of Corporate Programmes. There was a potential of 26 Exec Sources, i.e. 6 Directors General and 20 Directors. The total population of BL sources involved with the NSRIP was six, one for each of the six directorates directly involved. The total population of PPM sources was 10. There were 30 different PLs (below Director-level) that could be a potential source of data. Finally, several historical documents were used. In particular, the 2007 and 2008 capability review documents were used as were various *ad hoc* documents, some of which are illustrated in the appendices and referred to in the results.

Table 27: Data Collection Summary

Method of Data Collection	Data Source Type	Population in the NSRIP	Sample Selected	Use of PBM	Reason for PBM	Enablers of PBM & Challenges
Semi-structured interview	Central Resource	9 (note 1)	4 – Individuals in core (formal) PPM CoE roles	RQ4, RQ5	RQ6	RQ7, RQ8
Semi-structured interview	Exec	26 (note 2)	6 – Directors and DGs that were identified as thought leaders by their peers	RQ4, RQ5	RQ6	RQ7, RQ8
Semi-structured interview	Business Lead	6 (note 3)	4 – BLs deemed to be the thought leaders by their peers	RQ4, RQ5	RQ6	RQ7, RQ8
Semi-structured interview	PPM Manager	10 (note 4)	3 – Senior PPM resources identified by BLs or Execs	RQ4, RQ5	RQ6	RQ7, RQ8
Semi-structured interview	Policy Lead	30 (note 5)	3 – Senior policy-makers identified by BLs or Execs	RQ4, RQ5	RQ6	RQ7, RQ8
History	Capability Review	2	2 – The 2007 review and the 2008 update		RQ6	RQ7, RQ8
History	Ad hoc	Not determined	4 – Identified when conducting interviews	RQ4	RQ6	

Note 1: There are nine individuals in the PPM CoE affiliated. Source: Head of PPM CoE

Note 2: There are 16 Directors General (SCS3), 70 Directors (SCS2) in the DoH. Source: DoH HR – April 2009

Note 3: There are 16 business leads in the DoH – one per Directorate.

Note 4: There are an estimated 50 PPM specialists across the DoH. Source: Head of Profession for PPM

Note 5: There are an estimated 800 policy leads in the DoH. Source: DoH HR – April 2009

Data were collected in an effort to, “*collaboratively articulate an understanding of an organisational phenomenon in relation to a very specific group of individuals*” (Arber, 2001: 179-180). I opted for a purposive, or snowball-like, sample selection approach to selecting interviewee candidates. I first identified members of the PPM CoE and then held informal conversations with several members of the PPM CoE to identify a potential sample of Exec, BL, PPM, and PL sources. I then began formal

interviews. Each time I spoke with individuals, I asked for references of other areas or individuals that I should approach without identifying names that had already been identified. Over time a pattern emerged with directorate and individual names being repeated. These were noted as preferred sources of data. In a pure snowball selection method, the process would continue until all potential interviewees were identified. In this study, interviews were conducted until saturation was approached and new findings during interviews became very limited.

Table 27 summarises the data source types, population, sample selected and research questions affected. Using the method described, a sample of 20 interviewees was selected for this study: all four of the Central sources; six of the Exec sources deemed to be thought leaders by their peers; four of the BL sources identified as thought leaders by other sources; three of the PPM Manager sources; and finally, three PL sources deemed to be thought leaders in PBM by other sources. The Capability Review and *ad hoc* sources were used because they were identified by other sources during in-depth interviewing. All of the semi-structured interview sources were used to collect data for all resource questions. The Capability Review and *ad hoc* sources were relevant only for specific questions.

Each selected interviewee was sent a brief in advance of the interview. The brief was pre-tested for clarity with three individuals before first sending it out. Minor corrections were made to clarify and simplify the purpose and interview questions. A copy of the revised interview brief is included in Appendix 5: Project 2 - Pre-interview Briefing. During the interviews, a laddering technique was utilised to gain a more in depth understanding of the benefits of PBM in the Civil Service (RQ6). Laddering is a way of exploring a person's construct system. Laddering down is probing a particular construct for greater description and definition; laddering up explores the value system surrounding a construct more generally by asking 'why' questions (Easterby-Smith et al., 2002). This approach was used to create linkages between concepts in an effort to map how enablers relate to one another and specifically to the anticipated benefits of PBM.

Interviews were conducted on DoH premises, providing a familiar environment for interviewees. They were conducted face-to-face with three exceptions: one interview was conducted via a videoconference link and two via the telephone. At the start of all interviews, a review of the purpose of the interview was provided, a restatement of the confidentiality of the process was made, permission for the interview data to be used for research purposes was sought, and permission to record the interview was requested. Permission for both was granted in all instances. At this point in time, recording began. In most instances, I asked the interviewees to restate their permission for the interview to be recorded and I stated my commitment to confidentiality and appropriate use of data in order that both were on record.

The study explored the creation of PBM capabilities and an effort was made to collect data that reflected the state of the DoH at a particular point in time. As such, semi-structured interviews were primarily conducted between March and April

2009, with additional interviews conducted in June, August and September 2009 to accommodate the availability of interviewees. Voice recordings were made of all interviews with individuals from the different types of sources. Individual interview durations varied between 30 and 49 minutes. Table 28 lists the average interview duration by type of source.

Table 28: Interview Data Summary

	Number of Sources	Average Interview Duration (minutes)
Central Resource	4	44.3
Executives (Exec)	6	43.0
Business Lead	4	40.5
PPM Manager	3	43.1
Policy Lead	3	42.3
All	20	42.7

3.3.7 Data Reduction and Analysis

This section describes how raw data collected from interviews were reduced into an analysable form and then analysed. The 853 minutes of recorded interviews were transcribed verbatim into text. According to Corbin and Strauss (2008), a framework of generic relationships between concepts includes phenomena, context conditions, causal conditions, intervening conditions, action strategies and consequences. Collecting and analysing semi-structured interviews can be both messy and time-consuming using manual methods. Qualitative analysis software was recommended as a useful tool in identifying and managing these relationships. The software NVivo (QSR International Pty Ltd, 2012) was available, and given successful experiences with its application, I chose it for this research.

NVivo aided the process of identifying concepts, optimising coherence of concepts, minimising transgression (creating non-unique concepts), and in relating concepts to one another, i.e. axial coding Corbin and Strauss (2008). Inconsistencies that emerged at the coding level were handled by using multi-pass emergent coding. Each interview was coded using multiple passes through the transcribed data. The first pass data focused on assigning data to at least one of the research questions: *use of project and programme management (RQ4)*, *use of portfolio management (RQ5)*, *benefits of PBM (RQ6)*, *enablers of PBM (RQ7)* and *challenges of PBM (RQ8)*.

Table 29: A Priori Coding Structure

Research Question	A Priori Codes
RQ4 – Use of Programme and Project Management	Amount of Work managed using PPM PPM About Right PPM Overused PPM Underused
RQ5 – Use of Portfolio Management	Project Prioritisation
RQ6 – Benefits of PBM	None
RQ7 – Enablers of PBM	None
RQ8 – Challenges of PBM	None

For the initial interviewees, data were coded using a small set of *a priori* codes derived from the preceding literature review (listed in Table 29). Two concepts relevant to the use of PPM were used for RQ4: a description of the amount of work managed using PPM and an assessment of appropriateness of the amount of work managed. These concepts were translated into four codes: *amount of work managed using PPM*, *PPM about right*, *PPM overused*, and *PPM underused*. One concept was relevant to RQ5: prioritisation, which was translated into the code *project prioritisation*.

In addition to the *a priori* codes, emergent codes were derived from analysis. Emergent coding is a process of reading and developing ideas about data that results in codes that may later be assigned to other codes as ideas evolve. It is emergent because the coding did not necessarily begin from a theoretical concept informing the initial design of the analysis (Lewins, 2001).

The initial coding produced a draft template for the analysis of subsequent interviews. As subsequent interviews were coded, the draft template was refined. The labels of nodes were altered if deemed inappropriate, nodes were merged and new nodes added in an attempt to *maximise coherence* (ensuring data in each node were internally consistent) and to *minimise transgression* (ensuring the conception of the node was not replicated elsewhere). This process continued until a full set of emergent codes was identified. As the number of coded interviews increased, changes to the template reduced and the coding became more about mapping text to existing nodes.

At the end of the coding process the text was heavily coded. A stable template emerged and a small amount of text was coded using free nodes, not directly relevant to a particular research question. Free nodes contained pleasantries, descriptions of the interviewee's role, references to other individuals, or references to other Civil Service organisations that might be considered for future PBM research.

The abductive research strategy begins by exploring social actors' meanings and interpretations to generate description and understanding. An abductive research strategy is the logic of interpretivism. The strategy inherently uses abstract logic to derive second-order theoretical concepts. Conceptually, the abductive strategy has several layers: observing facts objectively, analysing the facts using comparison and classification without hypothesis, inductively drawing generalisations as the relations between the facts and conducting further cognitive tests as necessary. With social constructionism, researchers attempt "*as far as possible not to draw a distinction between the collection of data and its analysis and interpretation*" (Easterby-Smith et al., 2002:117). Instead they blend these techniques and applying them iteratively.

Data inconsistencies emerged during analysis. When reduction of the data, key concepts were noted whether reported by one or many interviewees. Greater confidence in the concept came if many individuals identified a similar concept, e.g.

flexibility. Occasionally, differences arose when coding enablers for RQ7, e.g. between the value of project planning as expressed by policy specialists versus project specialists. These were captured using the challenges schema and discussed. As insights were extracted from the individual codes, I discovered that improvements to coherence and reductions in transgression could occasionally be made. Minor changes were made in the assignment of text to codes during the drafting process.

Once all interviews were coded, subsequent analysis was conducted on the codes for RQ6 – benefits of PBM to develop a causal map. This approach has some similarities to the cognitive mapping approach described in Easterby-Smith et al. (2002), where they grouped their data into values, consequences and enablers. They applied the cognitive mapping approach to group interviews rather than a collective set of individual interviews. Causal maps can be particularly useful for uncovering underlying routines that are embedded in organisations and employed by groups of people in the organisation (Ambrosini and Bowman, 2002). According to them, there are different ways of building so-called *group* or *collective maps*. They can be an average of individual maps, a composite of individual maps, or derived from group discussions. For this exploration, given the large number of individuals involved, I deemed that creating individual maps was not practical. Further, given the seniority and variety of interviewees, group discussions were not feasible. Hence, a composite map representing the collective view of benefits was created using the entire set of coded interviews. In PPM practice, there is a tool called *benefit linkage mapping*, which is used for this same purpose. According to this technique, attention was paid to relationships between *PBM benefits* and *enablers of PBM* to produce a mapping of reasons for PBM supported by PBM benefits and enablers of PBM.

According to an abductive research strategy, subsequent analysis was also conducted on the codes for RQ7 and RQ8, to identify organisational practices and how they support the development of public sector organising and PBM capabilities. Because data reduction is both messy and time-consuming, a range of cognitive mapping tools and techniques can be used to visually display domains of knowledge, associated concepts and the relationship between concepts (Fiol, 1995; Fiol and Huff, 1992; Huff and Jenkins, 2002), including the use of tables.

The emergent codes for enablers of PBM (i.e. RQ7) were grouped according to the identified capabilities of FPBOs (see Table 36): *Focusing on Innovative One-Off Complex Undertakings, Making Investment and Strategy Decisions in Advance of Project Initiation, Coping with Extended and Complex Governance, Putting Specialism at the Core of Resource Management, Learning across Organisational and Temporal Boundaries and Employing a Portfolio Approach to Value Creation*. Each of the capabilities was analysed sequentially using tables that included the frequency of coding and how commonly the sources identified the enabler. The emergent codes for challenges of PBM were sorted according to the frequency of sources and references. If the code was both frequently and commonly identified, it was deemed to be dominant (relative to the others). This was done as a way to identify

and highlight the major challenges that the interviewees perceived. The challenges that had a specific civil service dimension to them were flagged and considered when crafting the results for RQ7. The full list of emergent codes was collected in Appendix 7: Project 2 – Sources Identifying Enablers of PBM, which was used to identify codes that appeared distinctive to the public sector; 10 were identified and these are summarised in Table 45.

A full analysis of RQ8 codes (listed in Appendix 8: Project 2 – Sources Identifying Challenges of PBM) was started. However, given that RQ7 and RQ8 are exploring the same organisational practices, this became redundant. Instead, the focus of the analysis for RQ8 was on identifying the dominant and distinctive challenges (see Table 46) and dominant and non-distinctive challenges (see Table 47). This detailed prepared for examining if and how publicness matters to PBM (see Table 52.)

Subsequent analysis was also conducted on both sets of codes for RQ7 and RQ8. The terms enablers (i.e. enabling organisational practices of PBM) and challenges (i.e. challenged organisational practices of PBM) are both used to identify organisational practices. According to preliminary testing of questions, practitioners use these terms to reflect their perception of whether an organisational practice is working well or not working well. Given this premise, the emergent codes for enablers and challenges were aligned to the four dimensions of core capabilities: *values and norms*, *managerial systems*, *skills and knowledge*, and *technical systems*. A detailed versus can be found in Appendix 9: Project 2 – PBM Capability Model (Enablers and Challenges) with summary versions captured in Table 53, Table 54, Table 55, Table 56 and Table 57. These tables were used to explore the organisational practices that support the capabilities of PBM and develop a potential capability assessment tool.

The insights from the analysis were developing into a narrative in the findings for each question. These are written below in the results section according to the research questions.

3.3.8 Quality of Research Design

Having established the research design, this section reflects on its quality. Four tests are commonly used to establish the quality of empirical social research (Yin, 2009: 40):

- *Construct validity*: identifying correct operational measures for the concepts being studied
- *Internal validity* (for explanatory or causal studies only and not for descriptive or exploratory studies): seeking to establish a causal relationship, whereby certain conditions are believed to lead to other conditions, distinguishing from spurious relationships
- *External validity (Generalisability)*: defining the domain to which the study's findings can be generalised

- *Reliability*: demonstrating that the operations of a study – such as the data collection procedures – can be repeated, with the same results

Easterby-smith et al. (2002:53) note that the meaning of these terms varies considerably depending on the philosophical viewpoint adopted, i.e. positivist, relativist or constructionist. For a constructionist single case study such as this one, they propose the following key questions:

- Validity (construct and internal): Does the study clearly gain access to the experiences of those in the research setting?
- Generalisability (external validity): Is there transparency in how sense was made from the raw data?
- Reliability: Do the concepts and constructs derived from this study have any relevance to other settings?

In evaluating the quality of this single case study design, each of these questions deserves explicit attention. Yin (2009: 41) proposes several tactics to meet the tests of quality and address these questions. Table 30 summarises the specific approaches that I employed during the development of the NSRIP Case Study.

Although research bias is addressed implicitly in Table 30, I believe it is important to expound on it here for transparency. First, at the time I was collecting data, I was working in the NHS; however, my previous role was in the DoH. As such, I was known personally or by reputation to most of the interviewees involved with this research. A civil servant myself, it was apparent that the interviewees trusted that the research would be conducted ethically. I believe that this helped me to gain privileged access to individual's thoughts and to elicit more direct and honest responses. This advantage was countered by the possibility that interviewee's answers may have reflected perceptions they developed of me prior to the interview and gave responses they thought I wanted to hear. Although identified here, I believe the desire to please or give a correct answer is a consideration for any interview-based case study and is not unique to this one. Overall, the tests for quality need to counter this type of bias, as illustrated in Table 30.

Table 30: Research Design Quality Assessment

Test	Tactic	Approach taken during the NSRIP Case Study
Construct Validity	Multiple sources of evidence	Interviewed individuals from five different types of data sources (exec, BL, PL, central, and PPM leads) to facilitate triangulation of perspectives. Interview data complemented with archival analysis sources where available and appropriate to facilitate triangulation of evidence.
	Establish chain of evidence	A methodical approach was employed that could be traced: interviews were transcribed, then kept in a database and coding was applied across all text, specific sources were cited in the results, citations were linked to results, results were linked to research questions, research questions were linked to the study protocol.
Internal Validity	Do pattern matching	The emergent enablers and challenges were matched to the capabilities FPBO defined in the preceding literature review (RQ7, RQ8). The identified common enablers of PBM were associated and related to the common challenges of PBM. This pattern matching helped to confirm that there was a relevant underlying construct that was noteworthy.
	Do explanation building	Transcribed text was analysed using causal analysis to identify the deemed benefits of PBM in the Civil Service and hence the perceived reasons why PBM was undertaken by this organisation (RQ6).
	Address rival explanations	All the interview data were reviewed and an attempt made to define a comprehensive set of emergent codes. Emergent codes were matched to theoretical capabilities of an FPBO to test for inconsistent or rival capabilities. Commonly identified enablers and challenges were highlighted. Non-commonly identified enablers and challenges identified by individual sources were also noted (e.g. one type of source such as PPM Managers) My prior expert knowledge was utilised during the analysis.
	Use logic models	PBM is an organisation-level construct, defined by capabilities, which form the underlying logic for PBM. In this case, each capability of an FPBO is moderated by enablers and challenges identified by this research. Note: this model is similar to the “alternative configuration for an organisational-level logic model” described by Yin (2009: 154).
Generalisability	Use theory in single-case studies	Consistent with the methodology, I am relying upon analytic generalisation rather than statistical generalisation. Importantly, the theory that led to a case study of PBM in the DoH suggests the next stage of this research; it identifies potential generalisations in other parts of the Civil Service and in non-Civil Service organisations through replication.
Reliability	Use a case study protocol	This thesis explicitly establishes a protocol and the procedures used during analysis so that a later investigator might conduct a similar study.
	Develop case study database	This case study develops a case study database, which was used for coding and analysis. The database tool is a standard tool (NVivo) used for this purpose across academic institutions.

The second consideration is that, in addition to being a researcher, I am a practitioner in the area that I am researching. I am aware that some results derived from the interviewee’s responses may in fact reflect the biases that I inadvertently introduced by the way I conducted the interviews. This deficiency is countered by the fact that my more intimate practitioner knowledge of the field was an aid while conducting data analysis, discovering results, and deriving conclusions. Experience is identified by Yin as a positive contribution to addressing rival explanations and testing internal validity. Overall, I propose that this helped improve rather than limit the quality of this research. Regardless, I rely upon the tests for quality to counter this bias, as illustrated in Table 30.

Having established a research design and provided confidence that the quality of the research design has been addressed, the results of the case study are described in the following section.

3.3.9 Limitations

This study, as with all research, has theoretical, methodological or practical limitations that must be acknowledged and considered. These areas are discussed here.

3.3.9.1 Theoretical Limitations

This study considers public failure through the lens of organisational capability. There are many other theoretical perspectives that might be used, such as leadership, change and engagement. These other perspectives may be interesting and provided additional insights. However, choices had to be made and these other avenues are beyond the scope of what is possible for the overall thesis.

3.3.9.2 Methodological Limitations

This study is single case. Although the generalisability of a single case has been criticised, Buchanan (2012) argues that non-generalizability from a single case is a myth. There are four ways that findings of a single case can be applied to settings other than the one studied, including identifying low-level patterns that are common (moderatum generalisation), providing learning that can be considered (naturalistic generalisation), documenting an experience that helps others with theory building (analytic refinement) and documenting lessons that can be applied in other settings (isomorphic learning). It is common for public organisations to be faced with large complex programmes, but not have the PBM capability to deliver them successfully. Although nuances can be expected, according to Buchanan (2012), there are generalisations imbued in this single case.

There were several methodological limitations associated with this study. Semi-structured interviews were used. Inherent to the methodology are sampling and data collection limitations. Although the methodology recognised these limitations and attempted to mitigate them, they need to be acknowledged.

A methodical approach was used in selecting interviewees. However, there are inherent *sampling limitations*. Constraints on results can be expected from interviewee selection, as individuals have biases and these may not be representative of a larger population. I attempted to address this limitation by isolating dominant enablers and challenges. The results were commonly and frequently identified, which gave me confidence that they represented the views of a group, not just an individual, and greater confidence that they represented the views of a larger population.

A structured approach to interviews was used to collect data. However, there are inherent *data collection limitations*. Interviews are limited in time allowing a fixed amount of data to be collected. The timing of the interviews relative to the phenomenon under investigation is important. In this case the NSRIP. I was fortunate enough to interview individuals while they were still working on the Programme; however, the Programme was advancing and earlier experiences might have been expressed differently had the interviews been conducted sooner. There are also potential limitations to my being the interviewer in two ways: first the tone and conduct I assumed during the interview affected responses, and the familiarity that I had with the topic affected the sequence of questions.

The synthesis of the data relies heavily on thematic analysis. Thematic analysis is useful for studying new topics and developing concepts. However, grouping data into themes can obfuscate meaning, omit the more nuanced data and is time-consuming for large data sets (Corbin and Strauss, 2008; Guest et al., 2011). Although these limitations exist, some means of synthesising the large volume of interview data and the resulting enablers and challenges was required. In spite of its limitations, it is useful.

3.3.9.3 Practical Limitations

There were practical limitations that I encountered during this research. This study resulted in a large volume of data that need to be coded. I made use of the qualitative analysis software NVivo (QSR International Pty Ltd, 2012) for this purpose, which helped manage the data, but the software does not actually do the coding. I needed to do the coding and make decisions regarding concepts and definition. During coding, my personal experiences with project management and the Civil Service will have introduced coding biases.

3.4 Findings

This section contains the results of this stage of the overall research programme in the form of a case study of the NSRIP at the DoH. For the first stage of analysis, results are summarised according to the research questions presented earlier in this paper. Quotes extracted from interviews are attributed to interviewees according to source type and an attributed number to maintain anonymity of the individual. For example, *Central Resource 1* is the first (of four) central resource interviewees and *Executive 6* is the sixth (of six) executive interviewees (see Appendix 4: Project 2 - Interview Schedule for a list of all interviewees). *A priori* and emergent codes are emboldened in the quotes from interviewees when first used to aid identification. Research questions, *a priori* and emergent codes are italicised when used in the remaining sections.

3.4.1 RQ4: Use of Programmes and Projects

To what extent are programmes and projects used during projectification in the Civil Service? Four *a priori* codes were defined for this question: Amount of Work

Managed Using PPM, PPM About Right, PPM Overused, and PPM Underused. Four other codes emerged during the investigation: *Traditional Policy Approach to Delivery*, *Proportionality*, *Historical Perspective* and *Directorates with A Higher Level Of PPM*. The *a priori* and emergent codes, number of sources, and number of references are listed in Table 31.

Table 31: Use of Programmes and Projects – Coding Results (RQ4)

<i>A Priori</i> Codes	Emergent Codes	Sources	References
	Traditional Policy Approach to Delivery	7	14
	Historical Perspective	11	16
	Proportionality	10	20
Amount of Work managed using PPM		18	27
PPM About Right		8	13
PPM Overused		0	0
PPM Underused		7	7
	Directorates with a Higher Level of PPM	7	10

The findings show that in contrast to the traditional policy approach to delivery, PBM work is bound by an end date and is more reliant on formal planning. Overall, interviewees consider that over half of the work of the directorates involved with the NSRIP is managed using programmes and projects. There was a split in the perception of the use, or underuse, of PPM practices. PL and Central Resource sources felt that it was about right, while BL, PPM Manager and Executives felt that it was underused. It appears that at least four of the six directorates involved with the NSRIP have well-developed PBO, relative to other directorates in the DoH. Detailed findings for each code are provided below.

Detailed Findings

While investigating RQ4, a ***Traditional Policy Approach to Delivery*** emerged to contrast a non-PBM approach to policy delivery with a PBM approach to policy delivery. The traditional policy approach is less time-bound and exists over a much longer time period.

*“As a Department of State our **traditional role** has been to develop the policy and that has always been viewed as something of an imprecise science, something that takes time and can’t be rushed. People who lead that sort of work tend to come from more of an academic type background and view PPM as being too rigid, too structured, too bureaucratic and resource intensive for the work that they do.”*

Business Lead 2

A traditional policy approach is applied to less complex pieces of work. It can be managed using smaller policy teams with a commensurately small span of control for the policy leads.

"Although we do manage core work as well, it's not structured in the same way as start and finish, task type business."

Policy Lead 2

By its nature, the traditional approach to policy-making does not exploit formal structures and planning as much as a PPM approach.

"[For routine policy work], there is no Governance arrangement that actually sits above it [...] Now, if you actually look at [...] that work, you can actually see that the data on which we are going to base our decisions is published in March and April."

Executive 5

An alternative approach to the traditional way of managing policy delivery is to utilise a project-based way of working. It is more structured and pays more attention to business planning, resource management, finance, setting objectives, achieving outcomes, and clearly defining accountabilities for outcomes.

"We had a very different approach; we were one of the first adopters of PPM as a delivery too. We were very keen on business planning and resource management."

Business Lead 2

The results contrast traditional policy-making with PBM. The traditional policy approach is less time bound, exists over a much longer time period, is less complex, and is delivered by smaller teams. The project-based approach is more structured, utilising specific processes for planning, managing resources, managing finances, setting objectives, achieving outcomes, and defining accountabilities for outcomes.

From an **historical perspective**, it appears that the adoption of PPM in the DoH was initially driven by reforms that called upon the Civil Service to shift focus towards policy delivery and to develop the accompanying managerial skills.

"This question of project management is all tied up with different political perceptions of the nature of the Civil Service and how the Civil Service should change. There is an argument that the department was very much at the forefront of that with Ministers saying we just want the Civil Service to do what we've now managed to work out and point policy in a certain direction. We now want people to execute really well and to focus on managerial skills. That was true under successive Thatcher and Major administrations and then this administration as well."

Executive 4

At the turn of the last decade, the DoH was faced with larger pieces of work to manage. It began to adopt managerial ideology along with PPM based practices.

“Around about 2000, we suddenly started to get hold of programme money and this was fairly new. I don’t really think that people understood the difference that that made to the work that we were doing. No longer were we just doing policy development, we were almost involved with policy implementation too.”

Business Lead 2

“Of course, along with the money comes the responsibility and accountability for spending it properly and that’s where PPM actually is at its best.”

Business Lead 2

The NSRIP put pressure on the six directorates involved, to work in a project-based way. The complexity of the programme required that outside consultants be brought in to help set up the programme at the beginning. Although this caused tension at first, it has led to increased awareness of the value of PBO.

“[PBM] has become more and more important with the Next Stage Review, probably from last summer. Essentially, it has not been the normal way of doing business within Government departments and certainly not the DoH.”

Executive 5

PBM in DoH has actively been developed during the previous decade. It appears that adoption was driven by a government reform agenda and accompanied by large programme budgets that were used to deliver policy. The capability of the Department to use PBM has developed along with experience. The department continues to consider how best to use PBO. Interviewees highlighted that successful use of PBM requires **proportionality**: the use of PBM needs to be appropriate for the business context and not become an industry in its own right.

*“One word of advice would be **proportionality**. The process must not become an industry that overshadows the actual main function which is actually to deliver the project.”*

Policy Lead 2

*“People need the freedom and confidence to settle on the right level of structure for the work they do, which will differ depending on your portfolio. That is hopefully what I have done in my directorate, where I feel we are **getting the balance right** – although we are still learning.”*

Business Lead 2

*“I was thinking that we want to make sure we’ve got the **right level of project management** for different levels of task and that might be the complexity, it might be the risk, it might be the impact, the cost.”*

Executive 5

Proportionality for one organisation means minimising the amount of work that is not managed as a project (i.e. as a standing team).

“We have tried to move to a position where most of the work that we take forward, both in terms of policy delivery and also the big delivery issues, that as far as possible, all our work should be on a project and programme basis with, as far as we can, as little as possible on a standing team basis.”

Executive 2

Proportionality for another directorate means applying a greater extent of PBM when the financial exposure or risk is higher.

“So that means if the project funding is significant, several hundreds of thousands of pounds, then you will want to have governance tiers that are robust and have all the kind of formal structures which need to wrap around successful delivery of that project. [...]”

Policy Lead 2

It was noted, that some types of work are not naturally project-based, in particular parliamentary business and ongoing operations. Programmes and projects do not have as useful a role to play with this work.

“I would say that the functions that we have as a department in relation to accountability, particularly parliamentary or political accountability, correspondence, parliamentary questions, that kind of thing, are relatively difficult to treat on a project basis [...] I think there are also the support functions around HR, around finance, and around organisational development, that ought not to be run on a project basis, except where there’s a specific change or system being made; those ought to be continuing functions.”

Executive 1

One aspect of proportionality is how much of the work is managed through projects. Interviewees were asked to rate their perception of the **Amount Of Work Managed Using Programmes And Projects** (in their directorate) on a scale of 1 to 9 with a rating of 1 being “no work managed through projects” and 9 being ‘all work managed through projects.’ Table 32 summarises the results from interviewees that rated the extent to which programmes and projects were used in their directorate.

Table 32: Rating of Work Managed Using Programmes and Projects (RQ4)

Source	Sources	Average Rating
PPM Manager	3	3.3
Central Resource	2	4.0
Policy Lead	3	5.0
Exec	5	5.3
Business Lead	3	6.1
Total	16	4.9

There was some variation in the ratings, as reflected in Table 32, with the overall average rating being 4.9 out of 9.0 for the interviewees that responded. This rating indicates that slightly over half of the work of the six directorates is believed to be managed using projects.

When asked to identify the state of PBM, Central Resource 1 opted to refer to five levels of the OGC Project, Programme and Project Management Maturity Model (OGC, 2008a) as the rating mechanism. The individual makes reference to level two, labelled *repeatable process* in this framework. This contrasts with level one, labelled as *awareness of process*, and level three labelled *defined process*. In this model, level 1 is relatively informal, level 2 introduces some basic standards which some areas of the business use, and level 3 introduces central control of standards across an organisation.

*“I’m looking at the P3M3 model at the minute and I think that on the different perspectives we are probably consistently coming out at about a level two. I wouldn’t think that we would be a level three organisation, other than in some areas like Financial Management and Governance - probably strongest on those, but on most of the other categories in that model we’re **one of league two**.”*

Central Resource 1

To further investigate the use of PPM, the nodes **PPM About Right**, **PPM Overused**, and **PPM Underused** were considered. After interviewees were asked to describe the amount of work managed using PPM, they were asked to consider if the level was too high, about right or too low. Of those that responded directly, none of the respondents indicated that they felt PPM was overused in their directorates, eight said it was about right, and seven said it was underused. In this small sample, individuals from particular sources were consistent in their perceptions. The BL, PPM Manager, and Exec sources argued that PPM was underused. PL and Central Resource sources argued that the balances were about right.

Table 33: Rating of Under or Overuse of Programmes and Projects (RQ4)

Rating	Central Resource	Policy Lead	Business Lead	PPM Manager	Exec	Total
PPM Overused	-	-	-	-	-	0
PPM About Right	3	3	1	-	1	8
PPM Underused	-	-	2	2	3	7
Total	3	3	3	2	4	15

Some respondents felt that the use of PPM practices was about right, given the nature of the department and the fact that the complexity of most work is generally not high. They emphasised that the department is a Civil Service department not a project management organisation.

“We don’t have to be innovators or leaders; we just need to be appliers of good practice, I think ... we would be the appliers of good practice, and we would want to make sure that our work is solid, because we manage the health and wellbeing of the population of England. We are not really striving to be an excellent project-based organisation.”

Central Resource 1

“We aren’t a department that requires a huge amount of resource in this area; we don’t have many major projects, big construction jobs, big high-profile programmes of work that impact significantly on the public sector and would be recognised as high risk.”

Central Resource 4

Some respondents felt that PPM was underused. Sophisticated or deep project management capability is required in targeted areas of the organisation, such as where the department delivers policy into the NHS, which is very large and can have very large programmes and projects. Two such programmes have been mentioned: the National Programme for IT and Pandemic Flu feature on the list of top risks to the department (see Table 26). One respondent made the case for a level of PPM capability from a slightly different perspective. They felt that as a government department, the DoH should be exemplar in PPM-based delivery as an example to the NHS.

“I think it varies ... there are parts of the department where I would say we’ve gone nowhere near far enough. If I look at the core policy part of the department ... a large proportion of their work is project-based policy development, or could be project-based policy development delivery.”

Central Resource 3

“[In] the DoH, you are giving policy to the rest of the NHS; the NHS is looking to DoH for guidance and instruction as to what to do and when to do it. Even with Foundation Trusts you are there setting the policy for the National Health Service. If you are always six months late, you’ve got a crap reputation because you can’t deliver on time.”

PPM Manager 1

Finally, to consider the use of PBM, it was useful to identify **Directorates with A Higher Level of PPM** in the DoH, which can be described as utilising PBO more heavily than FBO. Directorates identified included at least four of the six directorates working on the NSRIP: Policy and Strategy, Chief Nursing Officer, Commissioning and Systems Management, and Workforce Directorate. Individuals in one directorate noted capabilities in other directorates, not just their own. It was the BL sources that were most aware of the workings of other directorates and able to comment.

“You’ve got the Chief Nursing Officers’ Directorate; I think they are quite strong in programme project management. You’ve got CSM [Commissioning and Systems Management]. I think the Workforce Directorate is getting there [and so is] the Policy and Strategy Directorate.”

Business Lead 3

“Workforce springs to mind. I think Workforce has embraced PPM in quite an aggressive way, and I don’t mean that in a negative sense, but it has been a deliberate strategy to implement PPM across their programmes. They’ve got some very large cross-cutting programmes that are very high risk.”

Business Lead 2

3.4.2 RQ5: Use of Portfolio Management

RQ5 explores *to what extent is portfolio management used during projectification in the Civil Service?* There were no *a priori* codes used. Four emergent codes were identified during analysis: *categorising work*, *directorate-level portfolio*, *work prioritisation* and *corporate-level portfolio*. The emergent codes, number of sources, and number of references are listed in Table 34.

Table 34: Use of Portfolio Management - Emergent Codes (RQ5)

Emergent Codes	Sources	References
Categories of Work	6	9
Directorate-Level Portfolio	6	9
Work Prioritisation	5	11
Corporate-Level Portfolio	7	10

The findings show that Directorate-level portfolio management must handle policy delivery (PBO) as well as policy development and maintenance (FBO). The results indicate that portfolio management is partially developed at a directorate level with formal work identification, categorisation, prioritisation, interdependency assessment, and resource allocation processes in existence. However, portfolio management is not developed at a corporate level. The mechanisms for bringing together workstreams, prioritising and allocating resources amongst the directorates of the DoH are unclear. For smaller project-based pieces of work that fall within one directorate’s responsibilities, the lack of corporate portfolio management is less critical. However, for large crosscutting pieces of work spanning directorates, the lack of corporate-level portfolio management poses a difficulty. Detailed findings for each code are provided below.

Detailed Findings

For the six directorates supporting the NSRIP, *Categories of Work* includes strategy (policy) delivery, operational capability building and ongoing Department of State activity.

“We vary between strategic stuff, plus delivery stuff, plus internal capability building stuff and some Whitehall, Department of State things.”

Executive 4

Taking a policy-making perspective, the **categories of work** include the three main aspects of policy-making that have been defined as policy development, policy delivery and policy maintenance. Policy delivery is more directly related to

programmes and projects, while policy maintenance is more directly related to business-as-usual, or what is sometimes called 'core' work.

"Within the business plan itself in the Directorate we've split [work] into two areas [...] programmes and projects and the other is core work."

Business Lead 4

For the six directorates involved with the NSRIP, portfolio management operates at two levels. First, there are **Directorate-Level Portfolios** and the associated management of them. The directorates that have progressed portfolio management are more formal in identifying all work and categorising work units as either programmes or projects, or business-as-usual or core work and in allocating resources to these types of work.

"They understand the differences between project-based working and business as usual core work. They have set their business plans and portfolios out and clearly distinguish between the two."

Business Lead 4

The six directorates that have progressed portfolio management are also more formal in **Work Prioritisation** and allocating resources accordingly.

"[Two of the directorates delivering the NSR work] deploy resources well ... they pin down what the requirement is, they scope it out quickly, they get confirmation of that scope, they put resources behind those objectives really nimbly, and they seem to be really agile about how they do that."

Executive 1

The second level at which portfolio management operates is the departmental level. A **Departmental-Level Portfolio** exists in the DoH, which is reflected by the list of corporate programmes in Table 26. This list contains a set of major programmes that are high-impact or high-risk in some way.

"This is about managing corporate programmes and projects and having a portfolio office if you like ... and then having a programme office, a corporate office that actually then looks across the Department about capacity, capability, and processes."

Central Resource 2

The NSRIP is crosscutting (i.e. multiple directorates are involved) and as such would benefit from corporate-level portfolio management. Because of its size, it tested the maturity and sophistication of the corporate portfolio management processes.

“It’s the first time for quite a while [that the department has] done something that gets into so many corners of the department, has such coverage, and is of such scale and has such a large amount of exclusive resource attached to it.”

Executive 2

Although a departmental portfolio exists, portfolio management was found to be wanting. In particular, the co-ordinating processes did not entirely facilitate the co-operation and sharing of resources that crosscutting programmes demand.

“The Darzi [NSR] programme was probably the first real example of a crosscutting programme.”

Central Resource 2

3.4.3 RQ6: Reasons for PBM in the Civil Service

RQ6 is: *Why do civil service organisations use single-project, programme and portfolio management?* Using an interactive process of coding, identifying relationships between codes and modelling these (see Figure 32), three fundamental benefits of PBM emerged as reflected in Table 35.

Table 35: Reasons for PBM - Emergent Codes (RQ6)

Emergent Codes	Sources	References
Improves the Ability to Mobilise Quickly	6	11
Improved Accountability and Transparency	8	15
A Strategic Approach to Managing Change	11	21

Analysis reveals that PBM is perceived to have three major benefits: *improved accountability and transparency, the ability to mobilise rapidly, and a strategic approach to change*. These three benefits and underlying enablers that could be mapped based on connections given are shown in Figure 32. For improved accountability and transparency, enablers suggested by interviewees include *management and performance information, engagement with stakeholders, and collective decision-making by the leadership team to set priorities*. For a strategic approach to managing change, several enablers are suggested: *bringing work to an end, thinking of PBM as managing change, a unifying management framework, and programme and project initiation*. Finally, for the ability to mobilise rapidly, four enablers are identified: *pace and urgency, flexible use of resources, launching new initiatives and managing scope, and corporate tools and methodologies*. Detailed findings for each code are provided below.

Detailed Findings

The first major benefit of PBM is that it *improves the ability to mobilise rapidly*.

*“We live in a reactive, essentially reactive environment and a lot of that is because the world is based on reacting to things well - **mobilising rapidly**.”*

Business Lead 4

Recognising that one of the key purposes of the Civil Service is to work to ensure that public funds are well utilised and decisions are made openly, the second major benefit of PBM is that it **Improves Accountability and Transparency**.

*“What [PBM] should mean is that there’s much more **transparency** about what we are delivering, to what timeline we are delivering it and importantly what the outputs are going to be. If we can have a systematic approach to things which is done routinely, then anyone who gets that data will be able to do it when they require, quite often at the press of a button and most importantly when we press the buttons we get a consistency of information which helps promote public **accountability**.”*

Executive 5

The third major reason for adopting PBO is that it provides A Strategic Approach to Managing Change. Policy-making is a process of making change based on public and political imperatives. PBM can play a role in making the necessary changes within a strategic framework (or vision).

*“I think, it sees itself more and more as a **strategic organisation delivering change** and its plan is to reduce the core work and focus on making that **strategic change** which is about having more strategic programmes delivery.”*

Business Lead 4

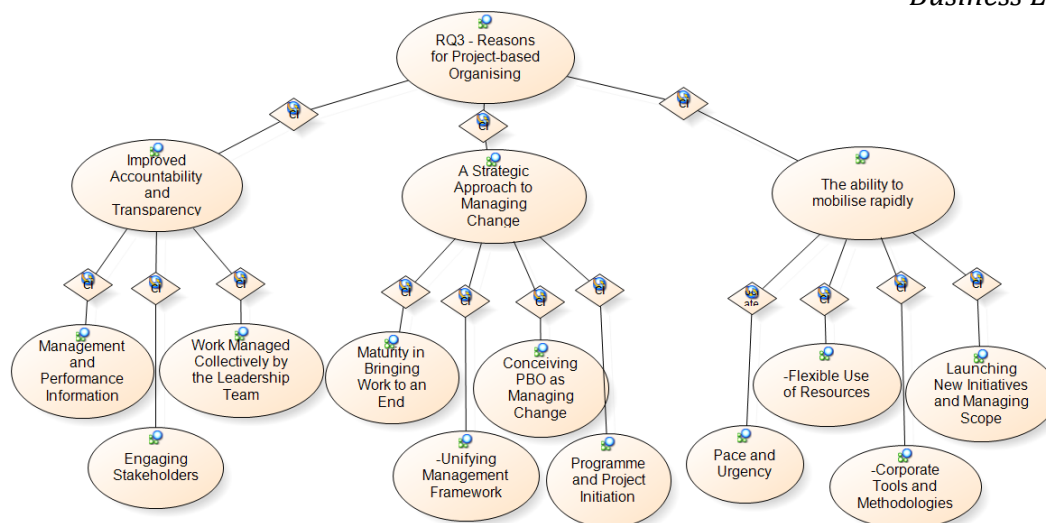


Figure 32: Causal Map of PBM Benefits to Civil Service (RQ6)

3.4.4 RQ7: Enablers of PBM

RQ7 investigates the enablers of PBM in policy-making. The enablers of PBM were developed by analysing the interviews of individuals involved with the NSRIP using an emergent coding method, as described in 3.3.7 above. The six capabilities of an FPBO, as identified in the literature review, were used to group the identified enablers of PBM as summarised in Table 36. Five enablers: did readily map to only one of the existing six capabilities of an FPBO: *Conceiving PBM as Managing*

Change, Appropriate PMO Services (the most frequently referenced enabler), *PMO as an Enabler of Change, Appropriate PMO Skills*, and *Appropriate PMO Structure*. This new capability was labelled *Facilitating Organisational Change*, in accordance with the identified enablers.

Table 36: Enablers of PBM - Emergent Codes (RQ7)

Capabilities of an FPBO	Emergent Codes (Enablers of PBM)
Focusing on Innovative One-Off Complex Undertakings	<ul style="list-style-type: none"> • Effective Use of Consultancy • Launching New Initiatives and Changing Scope • Pace and Urgency
Putting Specialism at the Core of Resource Management	<ul style="list-style-type: none"> • Effective SROs • Managed Cadre of PPM Specialists • PBM Career Structure • PBM Head of Profession • PPM Talent Management
Making Investment and Strategy Decisions in Advance of Project Initiation	<ul style="list-style-type: none"> • PBM Investment Decisions Are Linked to Business Plans • Executive Level Change Control • Explicitly Defined Benefits and Risks • Finance at the Centre of Decision-Making • Unifying Management Framework • Work Commissioned by Senior Team • Work Managed Collectively by the Leadership Team
Employing a Portfolio Approach to Value Creation	<ul style="list-style-type: none"> • Maturity in Bringing Work to An End • Efficient Resource Allocation • Flexible Use of Resources • Programme and Project Initiation
Coping with Extended and Complex Governance	<ul style="list-style-type: none"> • Appropriate Sponsorship • Co-production with Stakeholders • Engaging Stakeholders • External Assurance • Management and Performance Information • PBM Capable SCS
Learning across Organisational and Temporal Boundaries	<ul style="list-style-type: none"> • Aligned Policy and Project Language • Consultants Partnering with Policy-Makers • Corporate Tools and Methodologies • High Calibre Local Induction • Impactful PPM Centre of Excellence • PPM Capable Policy-Makers • Formal Reviews • Service-Oriented Corporate Services
Facilitating Organisational Change	<ul style="list-style-type: none"> • Conceiving PBM as Managing Change • PMO as an Enabler of Change • Appropriate PMO Skills • Appropriate PMO Structure • Appropriate PMO Services

Enablers that support each capability are explored in the following six sections, beginning with enablers that support Focusing on Innovative One-Off Complex Undertakings.

3.4.4.1 Innovative Complex Undertakings (RQ7)

The first of seven capabilities of FPBOs to be investigated is *Focusing on Innovative One-Off Complex Undertakings*, which was identified in the preceding literature review (Project 1). The emergent enablers include *Effective Use of Consultancy*,

Pace and Urgency and *Launching New Initiatives and Changing Scope*. *Effective use of Consultancy* is one of the most frequently coded enablers of PBM (emboldened in Table 38) and appears to be a dominant enabler. A summary of the number of sources and coded references for this group of nodes is given Table 37:

Table 37: Innovative Complex Undertaking - Emergent Codes (RQ7)

Emergent Codes	Sources	References
Effective Use of Consultancy	14	38
Launching New Initiatives and Changing Scope	6	7
Pace and Urgency	3	10

These enablers highlight the significance of specialist knowledge, scope, pace and urgency to innovative complex undertakings. Detailed findings for each emergent code are provided below.

Detailed Findings

Based on the frequency of coding, ***effective use of consultants*** is one of the frequently identified enablers of the capability *innovative and complex undertakings*. There is a notable discourse in the six directorates working on the NSRIP related to benefits and cost of consultancy. Particular areas of benefit include: supporting the senior team, helping during the initiation of programmes and projects, and providing specific technical expertise. These factors lead to a tension regarding the relative benefit and cost of developing skills in-house versus buying-in expertise and present a key theme for PBM.

NAO (2006) reported that the central government spent over £1.8 billion on consulting in 2005-06. Key knowledge areas included PPM, operational improvement, management and strategy, outsourcing, and change management. The interviewees emphasised the benefits of these types of specialist knowledge.

Consultancy is financially significant to the DoH and the NSRIP. A rough estimate would be that £30 million is spent on programme project management consultancy annually in the DoH. Given the complexity of the NSRIP, the fact is in an initiation stage, where consultancy can be expected to be higher, and the relative size of this programme to other key departmental programmes, it can be reasoned that perhaps £3-6 million of the total departmental spend might have been spent in support of the NSRIP over the most recent year.

*“We spend about £120 million on **professional services** across our given programme [of work across the entire department]. Some of those are nothing to do with programme project management, some of them are. We probably have, our admin funded posts, we’ve got maybe 1500 people in the organisation at any point in time who are brought in, and I guess a quarter of those would be PPM people to do particular projects, so maybe 375.”*

Central Resource 4

In this case study, there is broad acknowledgement that PPM skilled consultants were needed to help support the NSRIP.

“We have invested in expert programme and project managers – plus consultants to lead on the big priority pieces of work, programmes and projects; and specialist expertise. Filling a gap that the Civil Service doesn’t have. It’s not a cheap option, but it’s something that is necessary.”

Business Lead 4

PPM-related consultancy expertise is brought in for various reasons; however, there are several specific need areas. First, consultants are brought in to directly support the leaders of programmes and projects.

“My own way of programme working I learned through the original PSA [Public Service Agreements]. I had someone working with me who came from another department [...] I brought in somebody who happened to have specific skills that were relevant to the content of the PSA and who also understood programme and project management. I don’t know where I would have been, I really don’t.”

Executive 3

Second, consultants are brought in to help set up programmes and projects.

“Essentially their focus is the initiation stage as the external experts come next week. It’s very much an initiation, planning and starting to make it happen.”

Business Lead 1

Third, consultants are brought in to support specific technical areas such as statistical analysis, benefit management, risk management and communications, which are areas that are deemed to be particularly deficient.

“We’ve spent quite a bit of time trying to improve on risk management over the last year and trying to get better at the benefits management, two areas of weakness.”

Business Lead 4

Although consultants are brought in to help with the immediate needs of PBM, they are also expected to transfer skills. There is some effort to encourage this by including clauses in contracts.

“We do try to embed and transfer skills and we do try to be quite active in doing that once we bring the consultants in. In the NSR areas, in particular, we are doing that actively and we write that in the contracts with the consultants who come in.”

Business Lead 4

Although there is a desire for skills transfer, there is doubt that skills transfer is effective. A partial explanation for this may be that policy-makers are not encouraged, or rewarded sufficiently, for developing PBM skills.

“Unfortunately the skills transfer doesn’t happen ... it doesn’t change people’s behaviour and the moment that support is withdrawn, what you tend to find is people revert back to ‘make do and mend’ sort of ‘back of a fag packet’ type approach.”

Business Lead 2

A debate regarding consultancy relates to finding a balance between the relative costs and benefits of buying-in expert skills versus developing them in-house. Some feel that there is relative value seen in buying-in expertise in order to gain skills when needed.

“We didn’t have time to wait to develop our own staff, it would have taken us probably six, or probably nearer twelve months, so that’s a traditional approach. Particularly when you have got additional tasks which are temporary or when you have got the introduction of a new approach where you need to up your capacity and strengthen your processes in a short timescale.”

Executive 5

Others feel the cost of buy-in expertise is too high and that internal skills could be utilised more efficiently.

“I think we bring in too many specialists. [...] What we need to do is develop our own organisation to be able to do that and we do have certain people around, but they are not utilised enough.”

Business Lead 3

Launching New Initiatives and Managing Scope is the third of five enablers of PBM grouped under the capability *innovative and complex undertakings*. In PBM, new initiatives are launched regularly and the scope of initiatives will be tested. This is inherent to PBM. Those that are experienced with PBM exploit this enabler and are not afraid to change tack slightly, knowing that they have the capabilities in their organisation to accommodate this behaviour.

In an innovative environment, there are constantly new initiatives being created. This is an inherent part of PBM. Building a team at the front is critical to launching new initiatives.

“I think from June onwards we did move into a bit more chaotic period really because the workstream commitments had landed. The focus was figuring out a way how to deliver those commitments and on top of that trying to build and create a team, getting a team embedded and up to speed, and building an appropriate structure.”

PPM Manager 3

Once initiatives are launched, the scope will be challenged. People see an opportunity and begin to find other work to deliver through the newly formed programme or project.

"In many areas of work you can start with a fairly tightly defined scope and you get various things coming in from various places and they go 'no we also need to look at this and we also need to look at this.' When we were taking through the non-medical prescribing, we had very tight resources to do it. There were a lot of constraints around and once people knew who were doing it, lots of other bits of the department said 'can you actually also look at X, Y and Z.'"

Executive 2

Given the dynamic nature of the environment in which PBM operates, there is a very active process of constantly realigning the work relative to its context. This is a style of working that may be difficult for staff that are used to FBO.

"[Successful Directors] are not afraid to change tack slightly if something odd happens, but they appear to be really good at being clear with their teams that that's the environment in which they are working. And I suspect also people gravitate towards those teams because that is their style of working."

Executive 1

Pace and Urgency is an enabler of the capability *innovative and complex undertakings*. A critical role of policy-making is to make things happen. It is an active process. The policy delivery processes are more assertive and action-oriented than the policy development processes, which are contemplative and insular. Successful delivery requires a sense of pace and urgency.

Pace is stressed by the Executive sources. For these executives, there is a deep relevance in making things happen.

"I think this is reflected in our capability review scores around delivery compared to other Whitehall departments, we are much more task and managerially focused. We have a sense that we are not here to be impartial. We are deeply partial. We are here to try and make stuff better and happen rather than [a] slightly more disinterested, kind of Sir Humphrey culture."

Executive 4

The traditional policy development aspects of the policy-making process are described as being more passive and contemplative. In contrast, in a project-based organisation with a focus on policy delivery, policy-making is seen to be more assertive and action-oriented.

*“For me it’s the difference between thinking, that you are just going to sit here as a standing team and do the stuff that comes in through the front door and the difference is then injecting some **urgency** into what you’re doing and some purpose in saying this is what we are trying to deliver.”*

Executive 1

*“There is something about if you can try and get stuff right first time and move with a degree of **pace**. Be ahead of the curve.”*

Executive 4

3.4.4.2 Specialism at the Core of Resourcing (RQ7)

The second of six capabilities of FPBOs to be investigated is *Putting Specialism at the Core of Resource Management*, which was identified in the preceding literature review (Project 1). The emergent enablers includes *Putting Specialism at the Core of Resource Management* which include: *Effective Senior Responsible Owners (SROs)*, *Managed Cadre of PPM Specialists*, *PBM Career Structure*, *PBM Head of Profession*, and *PPM Talent Management*. Managed Cadre of PPM Specialists is one of the most frequently coded enablers of PBM (emboldened in the table) and appears as a dominant enabler of PBM, although the others had notable insights expressed as well. A summary of the number of sources and references for this group of nodes is given in Table 38:

Table 38: Putting Specialism at the Core of Resource Management - Emergent Codes (RQ7)

Emergent Codes	Sources	References
Effective SROs	8	15
Managed Cadre of PPM Specialists	13	34
PBM Career Structure	6	6
PBM Head of Profession	6	7
PPM Talent Management	8	16

The results show that PBM demands a specific set of specialist skills (SROs, Head of Profession, PPM specialists) and mechanisms for managing the specialism as a profession are identified (career structures, PPM talent management, managed cadre). It appears that the department is utilising PBM specialists more than it did previously as it underwent projectification, with estimates ranging from 5% to 10% of the staff (i.e. between 100 and 225 individuals). However, the internal talent in the department has not kept pace and there does not appear to be a significant career path or professional support for PPM specialists. There is a sentiment expressed that an active talent management process must be put in place in the Department to develop a pipeline for PBM specialist talent. The Civil Service might learn lessons from the experience of creating the Finance Profession. However, there is a tension that exists in accepting or formally declaring that PPM is actually a profession that should be developed. Detailed findings for each emergent code are provided below.

Detailed Findings

The results indicate that **Effective Senior Responsible Owners (SROs)** is an enabler of *Putting Specialism at the Core of Resource Management*. It appears that the development of SROs is haphazard and self-driven rather than corporately supported. Further, the current capability of SROs is unclear with respondents providing varying perspectives. Responses from interviewees are somewhat guarded and indirectly answered. This leads me to believe that the state of understanding or capability of SROs requires some attention and that interviewees may not have been entirely honest with themselves or me.

All source types including BL, executive, PL, central resource, and PPM sources noted the role of the SRO. An effective SRO plays a focal role in PBO.

“Focusing attention on who is the SRO [Senior Responsible Officer], do they understand their role, have they got top governance in place and can we then refer them to the risk management fraternity or the assurance fraternity or PPM specialists who can help them?”

Central Resource 1

Several SROs were asked how they developed their knowledge and skill; the responses indicated that there was some formal learning, mentorship from experts, and learning by doing. The individuals had worked on or led intense programmes where they had had an opportunity to see what strong leadership and programme management can do for policy delivery.

“I learned how to do it. I had someone working with me who came from [another department] who I think do pretty good Programme Project Management and kind of worked myself through by bringing in external people ... who had the skills and kind of taught myself.”

Executive 3

Managed **Cadre of PPM Specialists** is a PBM enabler associated with the capability *Putting Specialism at the Core of Resource Management*. It is one of the more highly coded enablers, partially because of its importance and partially because of the variety of views proffered. Based on these results, there appears to be consensus on the need for a managed cadre of PPM specialists that is, perhaps, somewhere between 5% and 10% of the workforce. However, a major tension that exists, as there does not appear to be consensus on what their profile should be, how to create the cadre, or how it should be managed. Further, it is unclear who can and should manage the cadre.

As a matter of significance, the source *Executive 5* suggests that 10% of the staff he oversees is composed of PPM specialists. Central Resource 1 suggests approximately 4.5% of the total departmental workforce are PPM specialists.

"Bearing in mind the organisation is 2245 Civil Servants, plus some hundreds of others, I wouldn't have thought that we would be talking more than about 100 PPM specialists in the whole organisation."

Central Resource 1

"I think increasingly we need PPM specialists [...] I think part of the trick is making correct use of people who are true PPM specialists and people who are policy people with a special interest in PPM. They are probably quite different people because the policy people with special interest you can embed within teams at a more local level. But they won't have the skills to hold together some of the large scale and complex projects and programmes that we run."

Policy Lead 2

If specialists are to be available, one approach is to recruit PPM specialists as permanent civil servants.

"I think the reality is that within [this] directorate we are looking to get permanent rather than temporary, programme management skill sets for the future to help lead each of the divisions."

Executive 2

A second approach is to procure contractors with specialist PPM skills and to rely on generalist policy-makers to develop the PPM skills they require.

"Or we say 'no it's alright you do a little bit of that,' and we buy in loads and loads of experts to do it, and we never seem to quite get that balance right."

Central Resource 3

Some individuals believe that a **PBM Career Structure** for project-based specialists is enabling to *Putting Specialism at the Core of Resource Management*. A career structure is expected to provide critical skill development that allows younger workers to enter into this area of expertise and develop strong skills as they progress their career.

"In order for people to develop their career in programme and project management as Civil Servants, it needs to be treated as a specialist skill in the same way as analysts, for instance, and it isn't at the moment, so it needs that."

Business Lead 4

A PBM Career Structure is seen as an enabler of *Putting Specialism at the Core of Resource Management*. However, it is something that must be considered on a Civil Service-wide basis to be effective.

PPM Head of Profession is a PBM enabler associated with *Putting Specialism at the Core of Resource Management*. The concept of a Head of Profession is familiar to the Civil Service with Heads of Profession for other areas including finance and communications. A Head of Profession for PBM is seen to be a necessary and useful

enabler of PBM. A leader in the organisation needs to direct the cross-organisation PBM Profession.

The PBM Head of Profession would be highly credible and deeply involved with developing the visibility of PBM as a profession across the organisation.

“We need a Head of Profession for PPM who has experience at PPM [and] has influence across the organisation to set the tone and the expectations and it almost needs to be someone who’s got that as their priority. PPM is [a] very low priority at the top of the office.”

Business Lead 2

PPM Talent Management was defined as the seventh of seven enablers of PBM associated with *Putting Specialism at the Core of Resource Management*. Interviewees noted that PBM requires a specific type of person and the department is not quite equipped yet for significant PBM. Some specific efforts need to be taken to realign the talent in the workforce.

“Do you need to just wait for the current group to move on and retire and then you start building up your group? So you actually start introducing that so it’s sort of a long term five to ten-year aim rather than overnight we are going to suddenly have civil servants with PPM skills.”

PPM Manager 3

The Civil Service has a long history of professional reform. A recently developed profession in the Civil Service is finance. It might be that PPM will follow a similar cycle.

“It’s an almost exact mirror of what happened maybe 12 years earlier with finance and accountancy in the Civil Service where there was none of that basic [skill set] in the Civil Service ten years before.”

Central Resource 3

3.4.4.3 Investment and Strategy Decisions (RQ7)

The third of seven capabilities of FPBOs to be investigated is *Making Investment and Strategy Decisions in Advance of Project Initiation*, which was identified in the preceding literature review (Project 1). The emergent enablers include *Making Investment and Strategy Decisions in Advance of Project Initiation* which includes: *Executive Level Change Control*, *Finance at the Centre of Decision-Making*, *PBM Investment Decisions Are Linked to Business Plans*, *Unifying Management Framework*, *Work Commissioned by Senior Team*, and *Work Managed Collectively by the Leadership Team*. Unifying Management Framework is one of the most frequently coded enablers of PBM (emboldened in the table) and is presented as a dominant PBM enabler. A summary of the number of sources and references for this group of nodes is given in Table 39.

Table 39: Investment and Strategy Decisions - Emergent Codes (RQ7)

Emergent Codes	Sources	References
PBM Investment Decisions Are Linked to Business Plans	13	17
Executive Level Change Control	2	6
Explicitly Defined Benefits and Risks	5	8
Finance at the Centre of Decision-Making	4	6
Unifying Management Framework	14	29
Work Commissioned by Senior Team	8	13
Work Managed Collectively by the Leadership Team	7	14

The results show that *Making Investment and Strategy Decisions in Advance of Project Initiation* depends heavily on a unifying management framework. The unified framework is enabled by a senior/leadership team collaborating to make financial decisions, ensuring they are implemented through a business planning process, and altered only using formal change control. A strategically managed portfolio of work is seen as a manifestation of this collaboration. This appears to be more effectively done at a directorate level than at the corporate level. Two key tensions for *Making Investment and Strategy Decisions in Advance of Project Initiation* appear to exist. One tension is in getting a unified management framework across the entire organisation. A unifying management framework helps increase the confidence of management when they are making complex decisions. It provides assurance that the right things are being done. The six directorates associated with the NSRIP appear to have some similarities in performance management, but not in other management systems. One directorate supporting the NSRIP appears to have recognised the need for an explicitly defined framework, developed one, and published it for all staff. A second major tension is related to co-ordination and aligning resource allocation across the department during business planning. The current approach allocates all resources and does not support flexibility, an enabler of PBM identified in this analysis. Detailed findings for each emergent code are provided below.

Detailed Findings

PBM Investment Decisions are Linked to Business Plans is recognised as a frequently identified enabler of PBM as one of the most frequent coded nodes. The business plan is an important enabler for PBM in the DoH. It makes resource requirements and availability more visible and facilitates an end to work, making room for new projects. However, there is an inherent tension associated with business planning which allows it to work well within one directorate, within the control of one director general, but less well amongst the six directorates and across director general jurisdictions.

Business planning is identified as central to managing the resources required for PBM. The formality of business planning makes PBM resource requirements and their availability more visible, encouraging more informed debate when making investment decisions.

"The organisation over the last two or three years has got into the habit and rhythm of actually planning, actually servicing issues, management issues and taking it a bit more seriously and therefore having debates about it; it's at senior level, it's always within senior management's attention."

Business Lead 1

A notable tension exists in co-ordination and aligning resource allocation across the department during business planning. The current approach allocates all resources and does not support flexibility, an enabler of PBM identified in this analysis.

"It links to the method we use for business planning in the department and the method we use for business planning is to ask people to fill their cup, identify all resources they need and then everything is already assigned before you even begin."

Executive 6

One of the enablers associated with the capability *Making Investment and Strategy Decisions in Advance of Project Initiation* is **Executive Level Change Control**. This was uniquely identified by PPM sources. They noted that change control provides senior management with a controlling mechanism to assert direction and control over investments. Only two individuals identified change control as being a PBM enabler. These sources were two experienced PPM Managers who are practised in large change management. They spoke passionately about this topic and were very frustrated that change control did not exist in the NSRIP in a way they would expect.

*"What you need is **corporate level change control**, and probably to run alongside that you need a corporate risk tool that senior managers truly buy into; and what I mean by truly buy into is rather than wanting to nuance the outputs, they actually look at what's written and engage with the reporting process."*

PPM Manager 1

*"What other sort of thing would they have, that I am used to? **Change control mechanisms**."*

PPM Manager 3

Explicitly Defined Benefits and Risk is a PBM enabler associated with the capability *Making Investment and Strategy Decisions in Advance of Project Initiation*. Risks, in particular, and benefits are understood by the senior management team and seen to be important in PBM. It appears that there has been significant effort expedited to improve risk and benefit management. This was recognised by internal individuals and the externally assured capability review report. The tension this creates is in exposing areas of vulnerability and promotes formal consideration of whether PBO or FBO should be the chosen organisational form for a piece of work.

Risk is a concept that seems to be understood by the leadership team and they respond to it.

*"It's **essential** [...] that **risks and issues** are identified and managed effectively. It's helpful for everybody, and certainly helpful for me, in providing a framework for assessing our progress against a [project] plan."*

Executive 5

Finance at the Centre of Decision-making enables PBM in support of the capability *Making Investment and Strategy Decisions in Advance of Project Initiation*. To enable PBM working, financial control at the point of project initiation is critical. New projects should be initiated in a structured way. Putting finance at the centre of decision-making ensures that this linkage is not broken between policy-making and resource allocation.

The PBM enabler was uniquely identified by business leads and policy leads. To them, this PBM enabler offers management control prior to investing heavily before launching into a project-based initiative.

"My Director General always says to me 'no project charter, no money.' And that's how it works; if they don't do a project charter they don't get any money."

Business Lead 3

When finance is not put at the heart of decision-making, it creates confusion for the project-based team because they have not received a brief to do something with funding that matches. Those that accept the work, and then attempt to deliver it, find that the commission to deliver is disjointed.

*"I think what they lacked was they didn't appear to have **a clear link to the finances**, the programme financing mechanisms. So they have been set up with a brief of half the job ... there were different sets of people in a different part of the department. So those two processes, the planning and then the resource ... to go with it have been organisationally disjointed."*

Policy Lead 2

Unifying Management Framework is the fifth of seven identified enablers of PBM associated with the capability *Making Investment and Strategy Decisions in Advance of Project Initiation*. A unifying management framework emerged as a dominant enabler of PBM. It is a clear set of rules for how things are done and done well. The importance of the framework appears to partially arise from the tension between PBO and FBO. In an unfamiliar environment, the unifying management framework highlights a number of key organisational practices and how they should operate. This approach provides assurance to decision-makers and engages staff in the process. Key areas of focus that were identified include: governance and decision-making, staff engagement and communications, business planning, performance management, business management routines, and business improvement.

One of the six directorates supporting the NSRIP published a 'Management Framework' (see Appendix 11: Workforce Management Framework - Outline.)

The Management Framework set out shared ways of working in the Directorate, focusing on governance and decision-making, staff engagement and communications, business planning, performance management, business management routines, and business improvement. It focused on the Deputy Director role as a focal role and also provided context to the framework, including a summary of DoH and NHS values, staff pledges and the Civil Service Leadership Model.

The importance of a unifying framework for managing the business was emphasised in the interviews resulting in its being one of the highest coded nodes for this capability and a frequently identified enabler of PBM. A unifying management framework is a clear set of rules for how things are done.

*"Where you are very clear about what you are supposed to do, how you are supposed to do it, what the rules of the game are, the sharing, a sense of **everybody going in the same direction, using the same systems.**"*

PPM Manager 1

A unifying framework highlights a number of key organisational practices and how they should operate. Some examples given included: how you define portfolios, programme and projects, how meetings are run, governance and reporting structures, and risk management.

*"What the Director Team wanted to do [...] is define what the purpose of our organisation is, the directorate, its vision, its strategy, those six programmes I've outlined and underneath those the projects, core work and the partnership working. Trying to **transcend organisational structures** and have them more delivery focused on the business."*

Business Lead 4

A unifying management framework also helps engage staff with the direction of the business and how it works.

"Staff know the direction, they understand about where the business is going, and because they've got clear programme project management in place, staff can see 'well actually we've got clear objectives, we know what we are expected to deliver.'"

Business Lead 3

Work Commissioned by Senior Team is an enabler effecting the capability *Making Investment and Strategy Decisions in Advance of Project Initiation* by helping to establish a baseline that interested parties agree to and from which changes can be made or prevented. It ensures formality in the initiation of work and ownership of this process in only one place. The commissioning process allows

for greater levels of challenge and scrutiny and facilitates working across organisational boundaries.

The mandate can be captured in different ways, or called different things, as individuals use project terms in their own way sometimes. It might be called a project initiation document, business case, or plan. What is important is that it exists, is written down, and is formally agreed to by the Senior Team.

“One of the keys to successful programme or project management is being able to get clear [about] your scope and then as far as possible stick to it.”

Executive 1

The formality of commissioning allows for honest challenge to occur to gain clarity of understanding and to test the underlying assumptions.

“Gain a clear understanding of your programme remit, really challenge and question what it is that you are actually being asked to deliver [and ensure that you have] formal project definition through the use of start-off documentation and PIDs [project initiation documents], and written plans.”

PPM Manager 1

The last of the seven emergent codes for *Making Investment and Strategy Decisions in Advance of Project Initiation* is **Work Managed Collectively by the Leadership Team**. The Leadership Team is primarily composed of Directors and Directors General. Collective management by the leadership team requires some way of dealing with difficult issues that cut across boundaries.

*“... Sit down as a group and discuss these big issues and agree a way forward. There shouldn't be a default that somebody else is going to deal with this. Everyone knows it's important. There has to be a way of working out a **cross-cutting ownership** approach.”*

Executive 3

Large complex projects cross boundaries and require co-operative approaches. A strategically managed portfolio of work is a manifestation of this collaboration.

*“Where I think we need to focus our attention really is at the **strategic level, portfolio and the major programme**. If you have the programme governance in place, and people are making intelligent judgements about how the portfolio is managed, then the project will look after itself. But where we need to focus our attention has to be at the strategic level.”*

Central Resource 1

3.4.4.4 Portfolio Approach to Value Creation (RQ7)

The fourth of seven capabilities of FPBOs to be investigated is *Employing a Portfolio Approach to Value Creation*, which was identified in the preceding literature review (Project 1). The emergent enablers include *Employing a Portfolio*

Approach to Value Creation, which includes: *Bringing Work to an End*, *Efficient Resource Allocation*, *Flexible Use of Resources*, and *Programme and Project Initiation*. *Flexible Use of Resources* is one of the most frequently coded enablers of PBM (emboldened in the table) and appears to be a dominant enabler and (according to the causal map in Figure 32) it directly supports the PBM benefit, *The Ability to Mobilise Rapidly*. A summary of the number of sources and references for this group of nodes is given in Table 40:

Table 40: Portfolio Approach to Value Creation - Emergent Codes (RQ7)

Emergent Codes	Sources	References
Bringing work to an end	7	9
Efficient Resource Allocation	8	11
Flexible Use of Resources	10	43
Programme and Project Initiation	5	9

The findings show that balancing risks taken and benefits realised begin with explicitly defining risks and benefits. From this view of risks and benefits, work is accordingly brought to an end or initiated, and resources allocated in an effort to maximise the value across the portfolio. An inherent tension centres on *Flexible Use of Resources*. Employing a Portfolio Approach to Value Creation demands that previously prioritised and resourced work will need to be de-prioritised and the mechanisms for agreeing to do this and then ending work are often difficult. This is a difficult process and it is claimed that the effort required to stop some policy-work is often as much as just completing it. Flexible resourcing is dependent on a culture of co-operation and management systems to facilitate it. The management system requires somebody looking across the whole, across boundaries, to understand and plan for resourcing needs and availability. Flexible resourcing must also consider skill mix and ensuring the right combination of core and specialist skills get to the job. Detailed findings for each emergent code are provided below.

Detailed Findings

The first identified enabler linked to the capability *Employing a Portfolio Approach to Value Creation* is ***Bringing Work to an End***. Maturity in bringing work to an end allows valuable work to be supported. This enabler is supported by an organisational culture that values stopping work and moving on to the next by formal planning and management processes.

Bringing work to an end frees resources to be redeployed to other work.

“What I do think we need to do more of is have an end point so we know when we’ve actually delivered whatever it is we are delivering so we can manage our resources better and certainly one of the best ways of doing that is to work in a programme where you use that discipline.”

Policy Lead 3

There is a cultural dimension to this enabler. The organisation must value ending work and moving on to other pieces of work. This ethos originates in the leadership team's approach but permeates through the expectations of individuals in the organisation.

"Nothing lasts forever so [the Director General] was very much of the school, well you have a programme of work, you have a series of projects, you develop it and then you close that project down and move on."

Business Lead 3

Efficient resource allocation is an enabler of PBM associated with the PBM benefit *Employing a Portfolio Approach to Value Creation*. It is an enabler that is identified widely across source types including BLs, PLs, PPM, central, and executive sources. The identification of this enabler recognises that the work of the six directorates is not static and resources need to move to the most valuable work as priorities change across the entire portfolio of work.

"You need to be able to align your resources. The top of the office should make some decisions about what their top five objectives are and, out of those five objectives, what the programmes and projects are that need to be delivered in order to deliver those objectives. Then you align the resources around projects and programmes."

Business Lead 3

The efficient allocation of resources requires a formal mechanism for allocating those resources and utilising skills.

"We need mechanisms for utilising the skill sets that we have in the department to full effect rather than some people working 14, 15 hours a day over a concerted period and others feeling actually they've probably got a little bit of slack."

Executive 2

An efficient mechanism for allocating resources to high value work enables *Employing a Portfolio Approach to Value Creation*, one of the seven capabilities of FPBOs. In the Civil Service, a large portion of the total expenditure is allocated to staff costs. Good resource allocation is a critical lever for ensuring that valuable work is supported and non-valuable work is not. There needs to be a formal mechanism for doing this in order to maximise the utilisation of scarce resources.

Flexible Use of Resource is an enabler of PBM associated with the capability *Employing a Portfolio Approach to Value Creation*. As one of the most frequently coded enablers, it appears to be a key enabler of PBM. It is one of the more highly coded nodes with half of the respondents talking explicitly about the concept of flexibility. It is identified as a mechanism for responding to a changing environment. Flexible resourcing is dependent on a culture of co-operation and management systems to facilitate it. The management system requires somebody looking across the whole, across boundaries, to understand and plan for

resourcing needs and availability. Flexible resourcing must also consider skill mix and ensure the right combination of core and specialist skills get to the job. The challenge with flexible working is the pressure it puts on line management.

*“As the pace of change quickens, skills and **flexibility** will become even more important.”*

Capability Review 2007

Flexibility is dependent on a co-operative management culture that is receptive to it and makes it clear to their teams that this is the environment in which they are working.

*“I want to rationalise the structure of the directorate and in rationalising the structure I need to have a more **flexible** way of working with the resources I’ve got.”*

Central Resource 3

Flexible resource allocation is dependent on a formal mechanism for co-operating and sharing resources across organisational boundaries. The formal mechanism requires somebody looking across boundaries to understand and plan for resource availability and requirements.

*“How do you **flex something down and then power it up** to do something else, it’s very, very difficult. And what that really needs is you’ve got to plan, you’ve got to try and anticipate what the demands are going to be.”*

Executive 6

There is an additional consideration for flexibility other than sharing resources and allocating them to the individual pieces of work. The right mix of skills needs to be allocated to the work as well. Respondents framed the skill mix as a combination of core policy skills and flexible (professional) skills including programme management, business improvement and other specialised skills.

*“I think having the right programme management skills, and within that business improvement skill, is of critical importance. I think if we had more of them we might be in a position to manage our work better and also utilise our resources better and **more flexibly**.”*

Executive 2

Flexible resourcing exposes a line management challenge for organisations. With flexibility across the organisation, the line manager must share their authority over resources, and co-operate with other line managers for delivering a job.

“There is something then about having a different approach to management, around the difference between being a manager for pay and rations purposes and being a manager for delivering a job and I just don’t think I’m anywhere near there on that yet.”

Central Resource 3

The capability *Employing a Portfolio Approach to Value Creation* is enabled by **Programme and Project Initiation**, which is an enabler of PBM and supports this capability. This enabler signals that pieces of work are transforming from FBO to PBO. *Programme and project initiation* can benefit from specialists experienced in this area, and in the department, programme offices were relied upon to assist with this work. Two technical systems that support the initiation of programme and projects were identified: resource assignment and project identification.

In the case of the NSRIP, the initial piece of work, focused on publishing a report, was more functional-based. After publishing the report, the programme moved into implementation and adopted PBO.

"It was around the time NSR was published and shortly after that the project infrastructure associated with that got going. There was a form to that imposed, by which time I had managed to identify the resource to actually lead and deliver the work."

Policy Lead 2

Programme and project initiation benefits from specialists who are experienced and have the necessary skills and knowledge. In the six directorates supporting the NSRIP, some professional support is available in the programme offices associated with each directorate.

"Most directorates now have that programme office-type approach where there is a defined resource to help you identify some of the issues so you can sort out things like your payments and outcomes you are looking for, timescales, and resources so there is that capability there."

Policy Lead 3

Programme and project initiation relies upon a number of technical systems. One focuses on breaking down the work and identifying the smaller pieces of work within the whole. In the case of the NSRIP this meant identifying and scoping projects. One tool for defining projects is a Project Initiation Document (PID).

"To look forward to the totality of the work programme we would have to deliver in the future, as far as we could at that point, and actually go through a preplanning process which meant encouraging team members to identify projects in a formal sense and start writing PIDs."

PPM Manager 1

Another technical system to programme and project initiation is focused on getting resources assigned to work in a timely way.

"They put resources behind those objectives really nimbly. They are agile in a way that they seem to be really agile about how they do that."

Executive 1

3.4.4.5 Extended Governance (RQ7)

The fifth of the seven capabilities of FPBOs to be investigated is *Coping with Extended and Complex Governance*, which was identified in the preceding literature review (Project 1). The emergent enablers including *Coping with Extended and Complex Governance* include: *Appropriate Sponsorship*, *Co-production with Stakeholders*, *Engaging Stakeholders*, *External Assurance*, *Management and Performance Information* and *PBM Capable SCS*, which one of the frequently coded enablers of PBM (emboldened in the table) and appears as a dominant enabler of PBM. A summary of the number of sources and coded references for these nodes is given in Table 41.

Table 41: Extended Governance - Emergent Codes (RQ7)

Emergent Codes	Sources	References
Appropriate Sponsorship	4	4
Co-production with Stakeholders	5	5
Engaging Stakeholders	5	5
External Assurance	6	13
Management and Performance Information	5	11
PBM Capable SCS	14	29

The major tension that exists for this capability is related to the enabler *PBM Capable SCS*. The six directorates supporting the NSR appear to have PBM capable leaders at the very top but there are some shortfalls further down the management chain. This gap makes it difficult for the leadership team to lead by example and to fully reap the benefits of PBM. Detailed findings for each emergent code are provided below.

Detailed Findings

Appropriate Sponsorship enables the capability *Coping with Extended and Complex Governance*. Appropriate sponsorship has two aspects. First, it is important to have one, and only one, person who is designated as being accountable for the programme. The term in the Civil Service for this role is a Senior Responsible Owner (SRO).

“If you’re not being brought in as the Permanent Secretary then make sure that you’ve got a single defined Senior Responsible Owner [SRO] for your programme.”
PPM Manager 2

The second aspect to sponsorship is ensuring that there is some form of programme or board that provides oversight of work and is structured appropriately to do this effectively.

“So you’ve got to connect up the policy end-to-end from the idea to the implementation and that’s what you need to do on a project board or a programme board. You need to have the whole spectrum there. If you define programme and project management just as process, you miss so much. You’ve got to look at it as driving the policy through to implementation.”

Executive 3

Appropriate sponsorship means leadership accountabilities are established and clear.

“I don’t want too many people thinking they’re doing, they’re holding the ring on. I deliberately set up one. There is actually one person.”

Policy Lead 2

Co-producing with Stakeholders is an enabler of PBM associated with the capability *Coping with Extended and Complex Governance*. *Co-producing with Stakeholder* is a principle that is being adopted by the DoH and NHS to describe organisations within the health system working together to define and implement change. It has been identified as an enabler of policy-making and PBM. Co-production is more than a concept; it is an active process supported by formalised relationships and plans.

Co-production encapsulates the notion that all parts of the system need to work together on shaping and implementing change.

*“We’re quite a small team and we do a lot of our work through others, stakeholders, including independents of the NHS-like representative groups, professional groups, [Strategic Health Authorities] SHA’s and [Primary Care Trusts] PCT’s. Our projects are done in a **collaborative** manner in terms of scoping what the project might look like.”*

Policy Lead 1

Because of its complex and cross-boundary nature, co-production demands the formalisation of relationships and plans.

*“**Co-production** has a degree of formality to it, bringing people, who the policy or the project will ultimately impact, into the design phase to help think through all the risks and issues. “*

Policy Lead 1

*“I think you need two senior users and they need to be joined at the hip. The SHA’s in our case can’t do the policy at national level, but we can’t do the implementation because we are not on the ground so you need that **co-production**.”*

Executive 3

Engaging Stakeholders is the third of six identified enablers of the capability *Coping with Extended and Complex Governance*. As an enabler of PBM, stakeholder engagement requires specific planning effort and involves sharing and interacting with stakeholders in an open and honest way. The pay-off for this work is that expectations are managed and there is transparency between stakeholders.

Stakeholder engagement is used to connect the project-based agenda more closely with those affected by its changes. The engagement process means getting to know your stakeholders; it is not passive; it takes specific planning and effort.

“Really get to know and understand your stakeholders, personally preferably. Understand how they’re affected and what it is they want to achieve out of what you are doing.”

PPM Manager 1

The engagement process involves sharing and interacting with stakeholders in an open and honest way for mutual benefit.

“I think that the feedback we get from sharing our control documents, from talking our stakeholders through the business plan, we can have a degree of honesty and openness from which they see the thoroughness of those plans. They then know that there’s nothing odd going on, there’s no hidden agenda because we share the agenda with them.”

Executive 5

External Assurance is an enabler of PBM associated with the capability *Coping with Extended and Complex Governance*. The assurance of programmes and projects sits outside, in the functional-based parts of the organisation. From this perspective, external assurance can be perceived as having two levels: directorate and corporate. The directorate level assurance is suitable for lower risk pieces of work and the corporate level assurance for the highest risk pieces of work. There is a tension that exists in terms of getting the right balance between the cost of external assurance and the value added. There is PBM leadership experience and expertise required in making an optimal assessment.

Directorate level external assurance exists for the smaller, lower risk (from a corporate perspective) pieces of work. It can exist through a variety of forms: review by business leads, external stakeholders contributing directly to programme boards, and SROs hosting assurance Formal Reviews for a project which includes external stakeholders.

“I think the thing that we benefit from is a lot of the governance mechanisms including programme boards bringing in external stakeholders which is actually a very healthy way of working.”

Executive 2

Corporate level external assurance exists for the larger, higher risk (from a corporate perspective) pieces of work. The OGC Gateway Review™ is an established review process in the Civil Service for the external review of high-risk projects. In some cases, a management consulting firm (e.g. KPMG) or individual (e.g. OGC gateway reviewer) may be contracted to perform a project review.

*“There are a number of projects where we have the **Gateway Formal Reviews** by the OGC. We have four projects [...] We’ve commissioned KPMG to come in and do a review. OGC will have done one a while ago and will do another one periodically.”*

Executive 5

The tension with external assurance is to balance the level of assurance with the cost of doing so. External formal reviews can consume financial, as well as people, resources, which can be used for delivery work.

“I think it’s weighing the right level of bureaucracy and I think the key is ‘does it add value or does it just add cost?’”

Executive 5

Management and Performance Information is a PBM enabler linked to *Coping with Extended and Complex Governance*. It provides a feedback loop to leaders to allow them to see the effects of decisions, develop planning scenarios, and make decisions regarding next steps. In a project-based environment, the frequency and speed of this information is important. Reports are created for management from two perspectives: directorate (i.e. FBO) and project (i.e. PBO). The process of management reporting is very powerful. However, it relies on synthesising raw data and creating something meaningful for decision-making. There are several techniques for doing this identified in the results: trend analysis, simplifying language, triangulation, and discussion with decision-makers to extract meaning.

Each of the six directorates involved with the NSRIP produced some form of monthly highlight report for their management team. The report is either described as a highlight report or assurance report.

*“We have a consistent approach to monthly reporting. So each of those programme offices completes an **assurance report** detailing progress, things like progress against milestones, risk management, what is the status of your risks, financial data. Those get pulled together for the Director General on a monthly basis.”*

Business Lead 2

*“Everybody has got to do **highlight reports**; they all get chased if they don’t do it.”*
PPM Manager 1

Performance management information for finance, staffing, procurement, staff development, absenteeism, and delivery by team is important. Techniques that

help synthesise information include: trend analysis, simplifying language – doing away with unnecessary language – and triangulation of information. (For an example see Appendix 12: Workforce Management Framework - Performance Management.)

*“We do try to present the Director General with a more balanced picture of what’s going on in the Directorate. We do trend analysis as well rather than just actual. We then try to plot **trends** for her and do some forecasting, which has been very, very useful actually in **highlighting** that although people might be saying on the one hand things are green, delivery is green, actually it might not be as green as they say it is. They may be heading for something else. So we try and do a bit of prediction as well.”*

Business Lead 2

Another technique employed to synthesise information is to engage in discussions regarding the information to extract meaning.

“We meet with her on a monthly basis and I talk her through the report. We look at the areas where we feel that further work needs to be done, where the risks might not be being managed, where the financial management might be poor and so on.”

Business Lead 2

PBM Capable Leadership is a frequently identified enabler of *Putting Specialism at the Core of Resource Management* as a capability of PBM. It was one of the most highly coded nodes and appears as a strong enabler of PBM. The PBM capable leader needs to know when to use PBM and when not to use it. When they decide to adopt it, it is critical to lead by example and have the skills to do so. The level of PBM leadership skills is variable in the six directorates delivering the NSRIP, as in any organisation. Nonetheless, it appears that the very senior team is relatively capable. However, there is a tension introduced whereby the top team depends on deputy directors to fully implement PBM and to reap the benefits of it; but the deputy directors may not be fully capable of supporting the executive.

The leadership team need to know when to draw heavily upon PBM approaches and when not to do so.

“These are the people who should have the savvy to be able to tell us whether we need project working or not.”

Central Resource 1

When leaders want PBM to be used, they must lead by example so that PBM is taken seriously as a new way of working.

“[The Director] also needs to demonstrate that he’s following that methodology himself for people to take it seriously.”

PPM Manager 1

There are some senior leaders that appear to have excellent PBM skills.

“There are some senior individuals in the organisation who are highly professional operators and you can see that in the way they set up their directorates and the way they do business.”

Central Resource 1

PBM capable leaders are dependent on others. The top team depend, in particular, on Deputy Directors and also on the level just below to make PBM work effectively. There appears to be a skill concern at this level, which is reinforced by the fact that the management framework developed by one directorate (see Appendix 13: Workforce Management Framework - Deputy Director’s Role) was targeted specifically at deputy directors.

“There is variable experience at senior level and a decreasing capacity [below the] senior people to focus as programme and project managers.”

Business Lead 1

“Of course there’s a normal distribution within all departments, there are people who are not very good at it, even though they’re meant to be doing delivery stuff.”

Executive 4

3.4.4.6 Learning Across Boundaries (RQ7)

The sixth of the seven capabilities of FPBOs to be investigated is *Learning across Organisational and Temporal Boundaries*, which was identified in the preceding literature review (Project 1). The emergent enablers including *Learning across Organisational and Temporal Boundaries* include: *Aligned Policy and Project Language*, *Consultants Partnering with Policy-Makers*, *Corporate Tools and Methodologies*, *High Calibre Local Induction*, *Impactful PPM Centre of Excellence*, *PPM Capable Policy-Makers*, *Formal Reviews* and *Service-Oriented Corporate Services*. *Corporate Tools and Methodologies* and *PPM Capable Policy-Makers* are the most frequently coded enablers of PBM (emboldened in the table) and these appear as dominant enablers. This was a very heavily coded capability. A summary of the number of sources and references for each code is given in Table 42.

Table 42: Learning Across Boundaries - Emergent Codes (RQ7)

Emergent Codes	Sources	References
Aligned Policy and Project Language	7	11
Consultants Partnering with Policy-Makers	3	5
Corporate Tools and Methodologies	13	21
High Calibre Local Induction	3	4
Impactful PPM Centre of Excellence	6	13
PPM Capable Policy-Makers	12	32
Formal Reviews	2	3
Service-Oriented Corporate Services	3	4

The results show that *Corporate Tools and Methodologies* provides a consistent and structured base of knowledge from which learning can happen. There is a major

tension associated with *Corporate Tools and Methodologies*. Corporate PBM tools and methodologies can be seen as specialised tools that are not for the entire department and, hence, are not fully linked into the management systems.

PPM Capable Policy-Makers is also a frequently identified enabler as one critical aspect of *Learning across Organisational and Temporal Boundaries*. PPM skills are seen as a core skill that is integral to the role of the policy-maker. PPM skills for policy-makers can be developed through basic training or mentoring from experienced PPM practitioners while on the job. Although some believe that skills are sufficient, staff survey results suggest that there is still a need for the development of basic PPM skills for policy-makers. The enabler *PPM Capable Policy-Makers* highlights a tension between skilling up policy-makers and using PPM consultants. When PBM is required and sufficient skills are not readily available, the organisation reacts by bringing in PPM consultants and then uses those consultants to upskill the policy-makers. Although skilled policy-makers can develop skills, there is a lag time in the development process, and the organisation is dependent on consultants at this time. It has not fully reconciled itself with this need at these times. Detailed findings for each emergent code are provided below.

Detailed Findings

Aligned Policy and Project Language is an enabler of *Learning across Organisational and Temporal Boundaries*. This enabler was broadly identified across source types including policy-led, central, executive, PPM manager, and business-led sources. Language matters. If alignment and engagement is to occur, there is some language that is specific to project management that policy-makers may need to learn. Also, there is an adaptation of project language for the policy-making context that may need to occur.

Table 43: Ranking of Word Counts from the 2009 Departmental Report (RQ7)

Word	Word Count	Ranking
health	1378	1
department	1277	2
care	992	3
services	822	4
2008	776	5
2009	535	6
local	497	7
national	473	8
support	463	9
social	459	10
people	414	11
programme	388	12

For all of these sources, language matters. It can either help facilitate, or get in the way and act to disenfranchise people. To illuminate how significant language misalignment potentially may be, an analysis of the words in the 2009 Departmental Annual Report was conducted (see Table 43.) Words over three letters long were counted and then ranked according to their word count. The

word programme is in common usage in the Civil Service and policy-making vernacular. In fact, it ranked as the 12th most frequently used word in the annual report in the same way that fundamental words such as health, department, care, service, and people are used.

However, the term *programme*, as used in the annual report, does not carry the same meaning as it does in PBM. PBM does have some specific language developed for a specific purpose. Those using PBO must be aware that some words they use and concepts they take for granted do not translate easily into the traditional policy context.

“[Policy-makers] may well not realise they’re leading a programme, [as understood] in programme management speak.”

Central Resource 2

As a result, the language of PBM may need to be adapted to fit into the policy-making process. One interviewee described this as “*know the (policy) language to some extent so that you are able to communicate it wider afield*” (Central Resource 4).

*“And what we’ve actually got to do is put it into a **language that people understand**, that’s not kind of your anorak PPM. [...] Now actually part of that is about how you manage your resources, how you manage your risk. Those are just good PPM disciplines, but actually not giving them in PPM-speak.”*

Central Resource 2

Consultants Partnering with Policy-Makers is an enabler of *Learning across Organisational and Temporal Boundaries*. *Learning across Organisational and Temporal Boundaries* is enabled through *Consultants Partnering with Policy-makers*. With co-operation, individuals mutually benefit from the skills of their partner. This enabler has a values-based dimension to it, that of mutual respect.

As identified in the results section for RQ7, the *Effective Use of Consultants* is an enabler of PBM. Consultants are again identified in this enabler but the relevance is different. Consultants are brought into the organisation to support policy-making but are not experts in policy-making. Policy-makers are working on a programme or project but are not experts in PPM. A partnership between the two is required.

*“We bring in consultants because we feel we haven’t got the skills in-house and that is not the [entire] answer. We may not have the skills in-house but the consultants don’t have the skills in the department and it’s that **partnership** that’s powerful.”*

Executive 3

Corporate Tools and Methodologies is the third of nine enablers for the capability *Learning across Organisational and Temporal Boundaries*. It is one of the most highly coded nodes and appears as a frequently identified enabler of PBM.

Corporate Tools and Methodologies provides a consistent and structured base of knowledge. The learning can be done in real time between individuals and organisations or over time as historical learning captured and brought forward. The compilation of past experiences can help to save individuals from making mistakes that can be avoided and they help people new to the organisation to get going quickly. DoH has some specific PPM tools that they use, but some of the broader corporate systems for HR, procurement, and finance are important as well. A tension that exists with *Corporate Tools and Methodologies* for PBM is to integrate the learned approaches into the overall departmental management systems, in particular HR systems.

Common tools and methodologies enable *Learning across Organisational and Temporal Boundaries* by providing a consistent and structured base of knowledge.

“Centralised structures have sprung up throughout my time here to be able to assist things at the business end, delivering these projects, accessing the necessary skills and understanding how to go about successfully delivering a project in ways that are sensibly managed.”

Policy Lead 1

These tools and methodologies can be part of an organisational learning system. They provide a compilation of past experience and help to save individuals from making mistakes that can be avoided.

“You can actually be more flexible with [tools and methodologies], things like issues logs and risk registers and various GANTT charts that help you to plan are not ends in themselves but are means to an end that are compilations of past experience. The reason that it's there is because people have made mistakes in projects and therefore we've got more and more refined in our methodology to save us from ourselves.”

Executive 6

As part of a learning system, tools and methodologies make it easier for new people, in particular consultants, to come into an organisation and get going on the new job relatively quickly.

*“Every organisation I have been in ... you felt you are coming into something that has some structure about it so you are coming into something bigger where you've got direction. You used certain **methodologies**. You used certain structured processes.”*

PPM Manager 1

There are corporate tools and methodologies available in the DoH. The most commonly cited was a PPM tool called Enterprise Project Management (EPM).

*I think it's very important that you have a standardised tool kit. We have something in the Department called **Enterprise Project Management**, we all call it EPM and we use EPM in our directorate as the tool for doing programme project management.*

Business Lead 3

However, methodologies for PPM (i.e. PRINCE2), standards for project lifecycle (set within directorates), software tools (e.g. Microsoft office), and templates were also mentioned. The skill in using these appears to be low but with adoption increasing.

*"On the PPM approach there is the **MSP** [Managing Successful Programmes], the light touch **PRINCE**, of which there are increasing numbers of qualified people in that respect. There is the Enterprise Project Management tool, which is slowly being adopted. There is the general Microsoft Office tool, for which the skill level is still quite limited surprisingly. Microsoft PowerPoint seems to be more widely used now. I think that essentially it is in terms of simple tools because I think it needs to be simple because the skill level has always been relatively low."*

Business Lead 1

High Calibre Local Induction is the fourth of nine enablers identified for the capability *Learning across Organisational and Temporal Boundaries*. This enabler is not frequently coded, as it was not perceived to be an existing strength. Instead, it is an enabler seen to be very relevant to PBM but underdeveloped. It is particularly relevant for individuals new to a role or to the organisation. The two types of individuals identified are consultants and SROs.

The areas of particular interest for induction are for SROs and for consultants coming in from external organisations.

*"If a piece of work is forever being handed to different people and you're the programme manager who's trying to make it all come together and work you've got to **induct** if you like a whole range of different SROs to the project to give them more stability in the top and people need to know, senior people need to know, if they take on an SRO role that they need to do it for a reasonable period of time to have a chance of success."*

Central Resource 4

There is some basic information required when individuals begin work. Also, there is an opportunity to use 'kick-off' events when a particular programme or project is launched.

*"It's **kick-off events** where everybody who is involved starts at the same place. If you are bringing in contractors or consultants [for a project], they are brought in at the same time as the Civil Service."*

Executive 3

Impactful PPM Centre of Excellence is an enabler of PBM associated with the capability *Learning across Organisational and Temporal Boundaries*. There is a belief that there needs to be a PPM CoE, which serves the department and connects the individual directorates. The concept of a CoE is common across departments in the Civil Service as their development occurred on the back of a policy initiative by the OGC in 2004. A range of specific services was identified including: providing access to core tools and methodologies, providing professional leadership for PPM, intervening in and supporting new priority projects, developing PBM capability across the organisation, and managing the corporate portfolio registry of programmes and projects along with an associated corporate risk registry.

A range of specific services was identified for the DoH PPM CoE. One service the CoE provides is access to core tools and methodologies.

*“The **CoE** particularly provides: the tools and the templates [for] programme project management, department standards around that – the introduction to the system that we have, EPM, and access to the training.”*

Central Resource 4

A second service is that the CoE provides professional leadership for PPM. This role has two aspects, proving a departmental PPM strategy and supporting the PPM Head of Profession.

*“The **CoE [Centre of Excellence]** particularly provides [...] insight into **professional qualifications, access to professional organisations** – documentation that comes out around best practice.”*

Central Resource 4

A third service is that the CoE should be staffed with highly skilled practitioners that can intervene and support when and where required with new priority projects.

“There would be turnaround experts, they would have the breadth of skills, management skills and knowledge and experience of the department or central government and would also have NHS experience and knowledge so they could understand the ultimate stakeholder community ... [for example] it could be a team of programme office managers or team of project programme experts that can set up and develop programme offices.”

Business Lead 1

A fourth service is that the CoE should provide leadership in developing the PPM capability in the organisation.

“[Another part of the role of the CoE] is about how we manage the environment within the department so that we can influence the capability that the department has around PPM [...] and bringing the community together to think about procedures, development of tools, education and training.”

Central Resource 2

A fifth service is to manage the corporate portfolio of programmes and projects, and the associated corporate risk registry. All programmes and projects in the department should be registered with the CoE. It would control changes to the registry.

“My expectation of a corporate programme office would be that it was the repository of the level zero change plan for the organisation, the very highest level change plan for the organisation, so therefore you don’t have a programme unless it’s registered with them and I would actually expect that they could undertake that corporate level change control.”

PPM Manager 2

PPM Capable Policy-Makers is one of the most highly coded nodes and appears as a frequently identified enabler of PBM. PPM skills are seen as a core skill that is integral to the role of the policy-maker. PPM skills for policy-makers can be developed through basic training or mentoring from experienced PPM practitioners while on the job. Although some believe that skills are sufficient, staff survey results suggest that there is still a need for the development of basic PPM skills for policy-makers.

Policy-makers must have a basic proficiency in PBO, as PPM is integral to policy-making. This came across very strongly and was consistent across all source types.

“I think you need a degree of reach across, you need policy people who understand enough about PPM, who understand basically what it’s about, what they’re doing, what it’s supposed to deliver, what the essential features are.”

Policy Lead 2

Developing the PPM capability of policy-makers can happen. The DoH has focused on developing PPM skills for policy-makers and there is believed to be a basic level of PPM skill across the organisation.

“We’ve done a lot of work on individual skills and for people who lead small to medium size projects, so when the organisation sees a project we should have the capability to address it one way or the other.”

Central Resource 1

Alternatively, policy-makers already working in the organisation can develop their skills through skills transfer, working alongside skilled PPM practitioners.

“What I’ve also done is brought in project and programme management experts initially to just get quick results in terms of initiating projects but to work closely with individual teams in the longer term to try and coach and mentor them in PPM techniques so that they can be reassured about the usefulness and value of those techniques and to transfer some of the Skills and Knowledge.”

PPM Manager 1

The staff members believe that their PPM skills are weak and they want to develop them.

"[The notion that we have skills across the organisation] contradicts a little bit with the feedback that we get from our Staff Surveys which almost always picks out PPM as one of the weaknesses in our organisation."

Central Resource 4

Formal Reviews is the eighth of nine enablers of PBM grouped under the capability *Learning across Organisational and Temporal Boundaries*. Two specific *Formal Reviews* were identified, capability Formal Reviews, and OGC Gateway Reviews. *Formal Reviews* provide learning to those doing them as well as those being reviewed. *Formal reviews* provide an opportunity to learn from others. The coding for *Formal Reviews* is much lower than the enabler *External Review*, which is identified as an assurance mechanism supporting the capability *Coping with Extended and Complex Governance*.

"I think the OGC Gateway [review] of use. There are also good ways of learning about Programme Project Management, the doing of it. I've done three. Also, I've been reviewed, my projects, my programmes have been reviewed. One project reviewed and two programmes reviewed."

Executive 3

Having **Service-Oriented Corporate Services** is the ninth of nine enablers of *Learning across Organisational and Temporal Boundaries*. PBM benefits from the support of the corporate services, in particular for procurement, corporate finance, communications, and human resources support. These services are important to policy leads and business leads working to deliver policy.

To support PBM, there is a desire for the corporate centre to respond to the business by providing a service that is responsive to policy delivery.

"The corporate centre now behaves more like they are providing a service. They are there to support the business of the department rather than believing they are the business in the department, it's the mindset and belief in 'thou shalt do what the corporate centre desires'."

Business Lead 1

The types of corporate services that were identified include procurement, corporate finance, communications, and human resources support. Rather than teams developing these skills, common corporate services were preferable.

"[Key corporate services are] interfacing with treasury [for corporate finance], recruitment, and HR support."

Business Lead 1

“Within the department we’ve got a procurement centre of expertise who were able to advise on the best route to be able to go out and procure that additional resource on a quite efficient and legal basis.”

Policy Lead 1

“We haven’t brought in specialist HR resource; we get that support from DoH.”

Policy Lead 3

“[Corporate services include] communications and media handling. We know where they are, so it’s a process.”

Policy Lead 3

3.4.4.7 Facilitating Organisational Change (RQ7)

The seventh of seven capabilities of FPBOs to be investigated is *Facilitating Organisational Change*, which was not identified in the preceding literature review (Project 1). The emergent enablers include *Conceiving PBM as Managing Change*, *PMO as an Enabler of Change*, *Appropriate PMO Skills*, *Appropriate PMO Structure* and *Appropriate PMO Services*, which is *one* of the most frequently coded enablers of PBM (emboldened in Table 44) and appears to be a dominant enabler. A summary of the number of sources and coded references for this group of nodes is given Table 44.

Table 44: Facilitating Organisational Change - Emergent Codes (RQ7)

Emergent Codes	Sources	References
Conceiving PBM as Managing Change	9	12
PMO as an Enabler of Change	8	10
Appropriate PMO Skills	7	16
Appropriate PMO Structure	2	6
Appropriate PMO Services	15	40

The results show that *Appropriate PMO Services* is a frequently identified enabler of PBM. It is seen to be an instrument for providing clarity of process and expectations. A range of specific services was identified for the PMO. These services include: providing overall business management of specific management routines including HR, finance and procurement, helping with programme and project setup, developing business management capability, developing PBM capability, providing performance and management information to the leadership team, doing business planning and monitoring, and facilitating learning. The role of the PMO highlights certain tensions in PBM: cautiously providing probity and accountability, but also for delivery of outcomes quickly and balancing what the organisation is demanding for *Appropriate PMO Services* with what the PMO is capable of developing and offering.

Detailed Findings

Conceiving PBM as Managing Change is one of the identified enablers of *Innovative and Complex Undertakings*. Overall, the understanding of PBM as managing change, and the need for change management skills as part of PBM, came

across very strongly. There did not seem to be any dissenting or widely varied views on this conception.

The connection between PBM and the delivery of complex change is broadly noted with references made by all sources.

*“It is about getting to the notion of **adaptive change** ... at the heart of the programme management and project-based thinking, how can we make sure that when we’re thinking about delivery.”*

Executive 4

It was also recognised that, as PBM is related to delivering change, PBM requires change agents with change management skills.

*“I come back to the programme managers with **change management skills** that are able to support managers to understand how to set it up, how to run it, the benefits of working in that way and for example, help in sorting out governance arrangements that are going to be best.”*

Executive 2

The emergent code **PMO as an Enabler of Change** is the last defined enabler of PBM that is grouped under the capability *Focusing on Innovative One-Off Complex Undertakings*. The PMO is an individual, or group of individuals, that act as facilitators and catalysts of change. The PMO does this in two ways: by helping the delivery parts of an organisation put in place what they require to invoke change, and by changing its own capability to become better aligned with organisational needs. The notion of creating change capability is not embedded in functional-based organisations, as would be expected, because the functional organisation is not about change. Something needs to act as the change agent and the PMO serves this purpose. For the NSRIP, there are a number of relevant PMOs. One exists for each associated directorate, a central PMO exists for the department, and when the NSRIP was initiated a PMO was established for the programme itself.

One role of the PMO function is to help the delivery parts of the organisation acquire or develop the capabilities they require to implement policy.

*“A vision that I gave to the Director General was that we would have a corporate programme office to ensure we’ve got consistent processes in place, to manage, monitor and deliver business change and so that we’re **fit for purpose** and we are **capable of delivering the benefits** that are required.”*

Central Resource 2

The second role the PMO function can play is to help an organisation develop the capabilities it requires to change itself.

"I think what you need to do is bring somebody in that has the capability, that first of all can support the senior management team in why you need to do it and what the benefits of doing it will be, and then to work with them to identify the areas that are going to be best to start introducing."

Executive 2

Appropriate PMO Skills was defined as a PBM enabler associated with *Putting Specialism at the Core of Resource Management*. PBM makes use of specialist skills for setting up and operating PMOs. PMO skills are broad and include programme management, project management, change management (organisational development), finance, HR, procurement, communications, and analysis. The challenge is how best to spread skills across a directorate.

Core skills in the PMO include: programme management, project management, and change management (organisational development). However, a strong PMO will also have finance, HR, procurement, communications, and analytic skills.

"The other skill sets that are there, that seem to be embedded in different divisions are finance, planning and management, the programme managers. There are HR individuals. There are communication skills. There are to some extent, organisation development skills. There are accountants, analysts."

Business Lead 1

"The skill sets that I look for are expertise in project management and processes around that. I look for related skills in a programme office around communications, stakeholder work and engagement."

Executive 1

If the PMO is an enabler of change, as identified earlier in the result by a node of this name, particular change skills are required. The PMO must contain skills for influencing, communicating, and problem solving in an ambiguous environment.

"There is also different sorts of skills that we are looking for in terms of bringing people in and setting up a programme, including the programme office in the first place. The disciplines that are entailed are entirely different to managing a programme going forward."

Central Resource 4

Appropriate PMO Structure is an enabler of PBM linked to *Coping with Extended and Complex Governance*. This enabler was uniquely identified by business-led and policy-led sources. The results indicate that a PMO is important to PBM and the structure of the PBO is important. The PMO can be built using a hub and spoke model or a distributed model. Both appear to be used within the six directorates working on the NSRIP. PMOs appear to change and evolve according the capability and need of the organisation. The challenge for them appears to be getting the optimal size and configuration of the PMO for the business.

A PMO can be structured in different ways. It can be a hub and spoke model with a strong central programme office (the hub) for the directorate providing a co-ordinating function and acting as a centre of expertise with a number of programme offices (the spokes) directly supporting each team. Alternatively, it can be a distributed model with smaller independent PMOs co-operating with each other in order to support PBM in the directorate. For the six directorates supporting the NSRIP, four of the six directorates appear to be designed using a hub and spoke model and two with a distributed model.

“Our model is based upon a hub and spoke model – we have a small central team. In addition to that, each of the main areas of the business has a programme office function. Whereas at the centre we co-ordinate things and we provide advice and act as a centre of excellence around procurement and so on, the actual work is done out in each of the programme offices.”

Business Lead 2

PMOs vary in size. Although, the spoke PMOs tend to be small with somewhere between one and four people. The hub PMO, in those directorates with a hub, range in size from five to 12 people.

“They range [in size] from one individual in the case of [one team] to [...] two in a [second team] and then there is a slightly larger team of three or four in [a third team], but they do a range of other programme management functions, programme support functions which you wouldn’t ordinarily expect in a programme office – so they have different models.”

Business Lead 2

Programme Offices are not long lived in one form. They change and evolve according to the capability of the larger organisation and business need. One directorate transformed a centralised model into a hub and spoke model about 18 months previously. They were now considering another shift in the structure bringing back some of the functions centrally because the composition of the directorate has changed in this period.

“It has been a process of evolution really. If I go back three years, we had two business support units. The business support units were very, very different. When the new Director General came in, we merged the two and that created quite a large business unit of about ten people and we did most of the planning, financial management and so on, on a central basis. [...] The intention was always to embed some of those functions out in the business closer to it and reduce the size of the central function.”

Business Lead 2

Appropriate PMO Services is a frequently identified enabler of PBM associated with *Learning across Organisational and Temporal Boundaries* as one of the highest coded enablers for PBM. There were a number of PMOs involved; each directorate had some form of PMO led by a Business Lead and there was a specific PMO just for

the NSRIP. There are tensions between PBO and FBO and also corporate and directorate levels. These arise from dual accountabilities of the PMO to the corporation for providing probity and accountability but also to the local teams for helping to deliver outcomes. A range of specific services was identified for the PMO to help do this. These include: providing overall business management of specific management routines including HR, finance and procurement, help with programme and project setup, developing business management capability, developing PBM capability, providing performance and management information to the leadership team, doing business planning and monitoring, and facilitating *Learning across Organisational and Temporal Boundaries*. The role of the PMO highlights another tension in PBM: balancing what the organisation is expecting of the Appropriate PMO Services with what the leadership team is capable of managing and supporting.

Overall, the various PMOs associated with the NSRIP are expected to provide clarity of expectation and process for common activities.

“The first thing is that you would want to have common systems, common approaches and the programme office is uniquely placed to establish those systems to ensure that they are lean to set the standards.”

Executive 5

The PMOs were expected to provide multiple services. The first service is to support the overall business management of specific business routines, including HR, finance, and procurement.

“I became a member of the Senior Management Team. He wanted me there so that for any decisions I was on hand to talk about the HR and financial side, the risks, the programmes, and the projects.”

Business Lead 3

The second service is to help with programme and project setup and launch.

*“If I was running a small programme or a small project within a branch I might be looking for somebody from the central programme office or the directorate programme office to come in at the **start-up** of it.”*

PPM Manager 2

The third service is to develop business management capability through business improvement.

*“It happens through the programme office with what we do there. Chiefly if we wanted some knowledge about **capability** and how do we manage and how do we get to know people, she’d be the one we’d ask first for her help.”*

PPM Manager 3

The fourth service is to be able to develop PBO in areas that do not have deep notable PPM expertise.

*“It needs to have the skill sets within the department to understand not only how to programme manage but also how to bring **in programme and project management** to a part of the organisation. Particularly where that part of the organisation is not familiar with it.”*

Executive 2

A fifth service is to provide performance and management information to the leadership team.

“To provide him with up-to-date data, accurate information and professional opinion [...] insight into issues, financial management skills, programme project management skills [...] financial through to risk through to management information which is required by the corporate centre but also for the general manager.”

Business Lead 1

The sixth service is to provide business planning and monitoring of the plans.

“We actually review things and monitor things at a fairly high level based on key milestones, the resources, so that is the money and the people, making sure that people deliver within budget and they are using the people that they have at their disposal.”

Business Lead 2

The seventh service is to facilitate learning across organisational boundaries.

“The Programme Office should be facilitating us to come together as a group of people to discuss service and share what we’re doing and share techniques and learn from each other.”

PPM Manager 1

There are tensions between PBO and FBO and also corporate and directorate working. These arise from dual accountabilities for cautiously providing probity and accountability but also for delivery of outcomes, often as quickly as possible.

“There is a dichotomy in the business-led function where I have a relationship and an expectation in terms of working for the Director General, but also there is an expectation from the corporate centre in how I manage and deliver the work and how I spend the money. And sometimes those two things aren’t the same. It’s often a challenge.”

Business Lead 4

PMOs are an extension of the leadership team and can only achieve what is in the realm of the leadership team’s expectations and capabilities. There is a tension in

creating the idealised set of PMO services relative to what the leadership team is able to manage and support.

“We’ve got a very demanding stakeholder in OGC which is not entirely compatible with our internal, top of the office support around management. So we are working on a shoestring on some of this stuff.”

Central Resource 4

3.4.4.8 RQ7: Enablers of PBM – Distinctive to the Civil Service

RQ7 considers the enablers of PBM that are distinctive, i.e. distinguishing, to the Civil Service. The enablers of PBM were identified by analysing interviews of individuals involved with the NSRIP using an emergent coding method as described in section 3.3.7 above. A total of 38 emergent codes were identified in section 3.4.4.

Using Appendix 7: Project 2 – Sources Identifying Enablers of PBM, 11 enablers are distinctive to the Civil Service (these are listed in Table 45 for convenience.) The five most frequently identified distinctive enablers are singled out as dominant distinctive enablers.

Table 45: Enablers of PBM – Distinctive (RQ7)

PBM Enablers (Distinctive to the Civil Service)	Sources	References
Effective Use of Consultancy	14	38
PBM Capable SCS	14	29
Unifying Management Framework	14	29
PPM Capable Policy-Makers	12	32
Flexible Use of Resources	10	43
Conceiving PBM as Change Management	9	12
Aligned Policy and Project Language	7	11
Impactful PPM Centre of Excellence	6	13
Co-producing with Stakeholders	5	5
Consultants Partnering with Policy-makers	3	5

3.4.5 RQ8: Challenges of PBM

RQ8 considers the challenges of PBM that are distinctive, i.e. distinguishing, to the Civil Service. The challenges of PBM were identified by analysing interviews of individuals involved with the NSRIP using an emergent coding method as described in section 3.3.7 above. A total of 28 emergent codes were identified – see in Appendix 8: Project 2 – Sources Identifying Challenges of PBM for a complete list.

The 11 most frequently identified challenges are singled out as the dominant challenges. Six of the dominant challenges are not distinctive to the Civil Service and are discussed separately in section 3.4.6.

Based on the results, the dominant challenges that were distinctive to the Civil Service are listed in Table 46. The challenges of PBM *Conflict Between Project Management and Policy-making Specialists* were much more pronounced than the other distinctive Civil Service challenges in terms of frequency of reference.

Table 46: Challenges of PBM – Dominant - Distinctive (RQ8)

Dominant PBM Challenge (Distinctive to the Civil Service)	Sources	References
Conflict Between Project Management and Policy-making Specialists	14	26
Volatile Nature of Ministerial and Parliamentary Decision-making	9	29
Lack of Learning from Other Civil Service PBM Experiences	6	8
Continual Construction of Value and Purpose	5	14
Continual Review and Public Scrutiny	5	8

The results for each of the dominant distinctive challenges are provided below.

3.4.5.1 Conflict Between PPM and Policy-making Specialists

The first of the five dominant challenges of PBM that is distinctive to the Civil Service relates to *Conflict Between PPM and Policy-making Specialists*. The 2007 Capability Review notes that sufficient emphasis is not always placed on planning how policy will be implemented – the domain of PBM. Although a shift towards improved policy implementation is occurring, there is a fundamental challenge particular to the Civil Service that must be considered. Policy-makers are rewarded for the reflective non-time-sensitive processes of policy development, which can be contrary to the action-oriented process of policy implementation. When PPM specialists work on policy implementation projects they can face policy specialists who resist the structured way of working associated with PBM.

Detailed Findings

There are conflicts between the incumbent policy specialists with the addition of PPM specialists.

One tension is the emphasis of policy-makers on policy development, rather than policy delivery.

“I think the game has changed in the last few years and the Civil Service hasn’t yet woken up to it, that in the past writing policy documents and coming up with the ideas was a big part of what they did and implementation was left to the Service. The nature of Government now is that they want the Civil Service to actually do the implementation.”

PPM Manager 1

The policy-makers view policy making as a specialist area that is intellectual, while PPM is seen as mechanistic and bureaucratic.

“As a Department of State our traditional role has been to develop the policy and that has always been viewed as something of an imprecise science, something that takes time and can’t be rushed and people who lead that sort of work tend to come from more of an academic type background and view PPM as being too rigid, too structured, too bureaucratic and resource intensive for the work that they do and I’ve got some sympathy with that.”

Business Lead 2

PPM specialists experience policy-makers who avoid the structure, control, and planning aspects of PBM that they are trying to introduce.

“It’s very difficult to get people to sit down and write a plan that bears a relation to the work that they are actually doing. It’s almost as though they will write the plan to get you off their back rather than to actually help them to manage their work. It’s seen as a bureaucratic imposition rather than a tool.”

PPM Manager 2

3.4.5.2 Volatile Nature of Ministerial and Parliamentary Decision-making

The second of the five dominant challenges of PBM that is distinctive to the Civil Service relates to working with Ministers. Policy development is politicised by its nature. Policy directions can shift and Ministers want flexibility, which challenges the structured nature of PBM. To PPM specialists this feels like priorities keep shifting and it is difficult to cope with changes. Working with Ministers also leads to a propensity for many initiatives. This short-term approach can lead to a lack of strategic coherence and disjointedness. Finally, Ministers change regularly and policy priorities shift accordingly.

Detailed Findings

Policy-making is a politicised process and the policy direction can change as the politics change. This impinges on fixing the scope of work. There is a tendency to leave flexibility in the definition of work until very late in the day to allow for changes in policy direction.

“Ministers are a part of this as well. So if they ask for new stuff, new ideas, that’s always going to make it more difficult to stick to scope and I think to a degree that influences the way the department behaves. That’s why we’ve got teams who do ‘crisis’ services.”

Executive 1

Retaining flexibility can challenge PBM approaches, which seek to provide structure and order. For project-based workers, it can feel as if priorities keep changing. This is frustrating and difficult for them to cope with.

“Here you never know, changing priorities every two seconds. You never know where you are, whether you are upside down or sideways. You have no clue because stuff is being launched at you constantly.”

PPM Manager 3

There is another aspect to the challenge of working with Ministers. Ministers react to external needs and pressures resulting in many initiatives. This short-term approach may lack strategic coherence. The challenge is to manage to stop tasks and make a cohesive approach.

“We have a cultural mindset here in the department now which is, okay problem is Minister wants to do something, right we’ll chuck money at it.”

Executive 4

To further challenge PBM, the Civil Service has to deal with regularly changing Ministers. The perspectives of different stakeholders affect the political narrative that is acceptable and the priorities that go with them.

“If there’s a change of administration, people will want entirely their own strategies and want a totally different narrative because by definition there has to be a new political narrative that will be a new story, it will profoundly affect the framing of everything we do and they will be sceptical and say, why don’t we drop this and stop this and stop this, I’m not interested in this, this, this, this.”

Executive 4

3.4.5.3 Lack of Learning from Other Civil Service PBM Experiences

The third of the five dominant challenges of PBM that is distinctive to the Civil Service relates to learning from other Civil Service PBM experiences. The low level of working with other departments was flagged in the 2007 Capability Review. Three potential areas of learning include sharing templates and tools for PPM with other departments, bringing in SCSs and PPM Managers with PBM experience from other departments, and leveraging the OGC. These mechanisms for learning do not appear to be fully exploited to the benefit of the NSRIP.

Detailed Findings

As with two of the previous major challenges, this challenge is mentioned, albeit less explicitly, in the 2007 Capability Review. The DoH does not tend to work as closely with other Civil Service Departments as it might, as a result of its focus on the NHS.

“The Department’s strong NHS focus has sometimes been at the expense of close and effective working with other departments.”

Capability Review 2007

One area where sharing and learning across the Civil Service might be used is in the development and use of templates for PPM. Although historically these were available, they do not seem to be as readily available any more.

"When I joined the Department in 2004 there were templates for setting up projects. There was supposedly a devolved structure of programme offices with a corporate central programme office and a number of programme offices local to each major programme. I think there was too little enforcement from the centre. If you are going to have a central programme office and standards, you don't just let people invent their own template locally, and that was what tended to happen."

PPM Manager 2

Another mechanism for sharing would be the movement of SCSs and PPM managers from project to project across the Civil Service. According to Table 46, there was a lack of experience of the PPM Managers with other civil service departments.

"It's the only public sector organisation that I've ever worked in."

PPM Manager 2

A third potential mechanism for learning across the Civil Service is working with the OGC, which had a pan-Civil Service mandate for PPM practices and specialists. There does not appear to be significant learning through this forum.

"I confess that there is very little I see. Admittedly, I'm not physically soliciting it, but I don't see much in terms of sharing of good practice around improving capability from other departments."

Central Resource 4

3.4.5.4 Continual Construction of Value and Purpose

The second of the five dominant challenges of PBM that is distinctive to the Civil Service relates to *Continual Construction of Value and Purpose*. Simple market-based signals are not generally available to the Civil Service. Instead, the definition of purpose and value is a negotiated process. The negotiation process with large and complex stakeholders such as the NHS, makes the negotiation process challenging. Another challenge related to the weak market signals is that the consequences of good and bad management are not always apparent. The feedback is not easy to acquire. Strong management control does not seem important. One affect of this is that some projects can proceed quite far without major scrutiny.

Detailed Findings

Often, simple market-based signals of value are not available to the Civil Service.

"Financial constraints tend to be more explicit in the private sector; there is a much greater concentration on delivery to budget."

PPM Manager 2

Defining purpose and value is a negotiated process. By definition, a negotiation is a political process that moves in different directions over time as consensus is sought. In the Civil Service, the negotiations happen with a wide array of stakeholders over time. The agendas of stakeholders shift, as does the power in the relationship. A key set of stakeholders sits in the NHS for much of the department's business. The complex nature of the NHS makes the process of negotiating purpose and value very challenging.

"The beauty of it, if you like, a Government department, is that you are forever having to recast what it is that you've got to do by when and how because there is a big political dimension to it."

Central Resource 4

The consequences of good and bad management are not always apparent. As a result, strong management control of activity does not seem as useful or important.

"I think that impacts on how rigorously you manage projects and how seriously people accept it or don't accept it. Because there has to be a consequence of bad management and consequence of good management for projects."

Business Lead 4

Because management control is not deemed as useful and market signals are not clear, it appears that projects can proceed quite far without significant financial scrutiny.

"In the private sector you deliver things, if you lose money, you suffer the consequences. In the public sector you deliver something, you overspend, that's unfortunate."

Business Lead 4

3.4.5.5 Continual Review and Public Scrutiny

The fifth of the five dominant challenges of PBM that is distinctive to the Civil Service relates to *Continual Review and Public Scrutiny*. The Civil Service by its nature is obliged to be open to public scrutiny as public funds and resources are being used. It faces regular formal interventions by the PAC for major projects. The high level of scrutiny can lead to a cautious approach and extra levels of effort that might not be required in a private sector setting.

Detailed Findings

The DoH is high profile by its nature and draws significant public attention to what it does.

"You are not subject to the same kind of political and public pressures that you are in the Civil Service that you've got to be capable, ready to manage."

PPM Manager 3

Projects that are large draw particular interest. They are under intensive review by their nature and face further scrutiny (such as by the PAC) if something goes awry. The results of these Formal Reviews are made public. Sometimes this leads to further Formal Reviews.

“High profile projects, especially IT-related projects, are going to be exposed in front of the PAC if you don’t do them well. It’s a completely different form of accountability and scrutiny compared to the private sector.”

Executive 1

The scrutiny processes and threat of review, can lead some civil servants to be cautious. Extra, potentially unnecessary, effort is expended rather than stopping at “good enough.” Individuals tend not to make risky decisions for fear of blame, reporting may be skewed to avoid unnecessary scrutiny (and associated additional effort to respond to the review), and significant effort is expended to show that work is well managed.

“We are required to demonstrate increased accountability. For example, we’ve got a meeting later this month where people want to go through our risks; it happens on all of our projects. We have risk registers so we can show people that we are well managed.”

Executive 5

3.4.6 RQ8: Challenges of PBM – Not Distinct to the Civil Service

Challenges of PBM were identified by analysing interviews of individuals involved with the NSRIP using an emergent coding method as described in section 3.3.7 above. A total of 28 emergent codes were identified – see Appendix 8: Project 2 – Sources Identifying Challenges of PBM for a complete list. The 11 most frequently identified challenges are singled out as the dominant challenges. The six dominant challenges that are not distinctive to the Civil Service are listed in Table 47.

Table 47: Challenges of PBM – Dominant – Non-Distinctive (RQ8)

Frequently Identified Challenges of PBM	Sources	References
Need for a More Comprehensive Management Framework	14	30
Require a Systematic Process For Learning From the Past	10	13
More Decision-makers Involved with Local Priority Setting	7	10
Consultants Can be Over Used	7	8
Missing Core PMO Services	6	11
Senior Level Must be Practised in Using PPM	6	6

The results for each of these codes are illuminated below in order of the number of references and sources identified during coding.

3.4.6.1 Need for a More Comprehensive Management Framework

The first of the six non-distinct challenges is *Need for a More Comprehensive Management Framework*, which severely dominates the others in terms of frequency of reference. The lack of cross-boundary integration in the department was highlighted in the 2007 Capability Review and was a challenge for the NSRIP. Because a unified approach and set of rules did not exist, decision-making processes were constrained. The senior team could not rely on the framework and resorted to personal intervention and meetings as key tools of management.

A management framework would be expected to create coherence in at least three areas: portfolio management, governance and financial management. These areas of need are also reflected in the results of the PBM enabler *Unifying Management Framework* discussed in section 3.4.4.3 above. There are difficulties in putting in place a coherent management framework in the NSRIP environment. Three reasons for this are suggested: accountability for creating a coherent framework is unclear; individuals in the influential role of the Deputy Director appear to resist a coherent PBM framework; and the relationship between a PBM framework and policy-management framework is also unclear.

Detailed Findings

The 2007 Capability Review, an external review of the DoH, highlighted a deficiency in cross-organisational management of both policy development and change.

“The Department should establish and apply a consistent approach to managing change internally and externally. Area for action 5 – clarify and articulate roles, responsibilities and accountabilities and strengthen departmental governance structures and processes.”

Capability Review 2007

The challenge with cross-organisational PBM was exposed when the NSRIP was launched. A unifying and coherent set of rules for decision-making did not appear to be in place.

“There was a distinct lack of clarity; it’s the cross-departmental impact. It’s the fact that lots of it was quite new. It wasn’t clear where some of it was going to sit; we didn’t have a Director General who was responsible for quality because it was the report that brought quality to the fore.”

Policy Lead 2

Without a management framework – the senior team cannot rely on process and management systems. Instead they personally delve into detail and call people together in multiple meetings.

“Just being too reactionary. I think one minute they wanted this, and the next minute they wanted that, so I think there is a great deal of just being reactive. Also I think that these are very, very senior people but the level of detail they get down to – I have never come across anything like it before.”

PPM Manager 3

Another area in which a PBM framework needs to create coherence is in governance and reporting structures.

“If you set things up well in governance terms actually you save a huge amount of time. We don’t tend to set things up well in governance terms.”

Executive 3

The PBM framework needs to create coherence in financial management.

“I think what they lacked was, they didn’t appear to have a clear link to the finances, the programme financing mechanisms either.”

Policy Lead 2

The PBM framework needs to create coherence in the approach to PPM.

“We don’t have a formal process for assessing our PPM capabilities. It’s quite difficult really. The department hasn’t exactly helped us in that there is no understood standard around programme and project management.”

Business Lead 2

There were difficulties in putting in place a coherent management framework. Individuals are frustrated by the lack of coherence. The reasons for the lack of coherence are bigger than the individual and appear to be cultural, linked to the ‘environment’.

“As a programme manager or project manager – you feel it’s everything to do with you and you’re the one who actually is incompetent and incapable of running a programme or project which is dreadful and you have to absolutely think ‘no, it’s nothing to do with me, it’s the environment that I’m in’.”

PPM Manager 3

There are a number of reasons to suggest why the environment is the way it is. The first reason for not having a coherent management framework was that the responsibility for creating a framework was not established.

“I just think there is nowhere you can go for clarity. There just doesn’t seem to be an overall department ‘go to’ person around the programme [...] But just some real clarity, coherence and having a bit more of a uniform approach. I think that would just go such a long way.”

PPM Manager 3

One reason for not having a coherent management framework was related to the unclear relationship between PBM and policy-making. There continues to be a debate about how they relate and work together.

"The policy process is just not because you've got all the interventions with Ministers. Some believe it's just not the sort of thing that you could do in project management style. I have to say I disagree."

Executive 2

Another reason for not having a coherent management framework was related to the role of the Deputy Director (Branch Head). Deputy Directors are promoted to this level of seniority for their policy expertise, not their PBM expertise. A management framework puts boundaries around the deputy director that they are not used to having when using a traditional policy-making approach (traditional policy-making is discussed in section 3.4.1 above).

"I think branch heads. The culture is that they are in many ways autonomous, or they see themselves as autonomous, and feel that it's appropriate to challenge these centralised definitions of standards. [...] Real resistance and unhelpful and uncooperative to be honest."

PPM Manager 3

3.4.6.2 Require a Systematic Process for Learning from the Past

The second major challenge to PBM highlighted by this case study is related to systematic learning from the past. The deficiency in learning from past projects was specifically highlighted in the 2007 Capability Review and was a challenge for the NSRIP. The identified difficulties in developing a formal process are related to: a lack of formal accountability, inappropriate delegation of responsibility for learning to the individual, misplacement of the expectation for knowledge management skills to support learning, and over-reliance on external consultants to carry PBM learning into the organisation.

Detailed Findings

Interestingly, as with the previous major challenge, this challenge is a significant corporate concern, sufficiently so that it was referenced explicitly in the 2007 Capability review.

"Although there are some examples of successful evaluation of projects, there is little evidence that the department has a systematic process for learning from past experience."

2007 Capability Review

Interviewees also recognised that a systematic, lessons learned, process is important to PBM.

“The lesson learnt is having more lessons learned. That’s something that is still a weakness in my area.”

Business Lead 4

There were difficulties associated with systematic learning. Several potential reasons for the lack of systematic learning are offered. The first is that there does not appear to be a formal accountability for systematically learning from past PBM experiences:

“Normally in an organisation you would have some kind of corporate functionality where things would get shared: best practice, the systems, the forms, the processes you use. You would have a central function that would say, ‘do you know what? This team have done this really well. We’ll just share it across everybody else. It isn’t hard. It’s just nobody seems to value it here. I don’t get a sense that there’s any kind of corporate function at all actually.’”

PPM Manager 1

Another reason was identified. Because of a lack of corporate approach, there is an implied delegation of responsibility to the individual to develop lessons learned and disseminate them, rather than using a formal process. In an organisation with high levels of PBM, the individuals will move often and may not be best placed to own the lessons learned processes.

“I’m ashamed to say we didn’t really nail down our lessons learned after the review, that’s partly because we were only just on to the next thing. But yes, we should have done that better, and you’re right, even now people will make time to come and ask ‘how did you do this particular bit?’ and I know the policy lead on the NSR gets asked the same questions as well. There was an informal process of doing it but I wouldn’t say it’s the smartest way.”

Executive 2

Another reason is that managing lessons learned requires skilled practitioners in knowledge management. Policy-makers are not inherently skilled or trained for this work. Project management professional skills might be better placed to handle this kind of topic.

“I think there is a knowledge management issue and that’s also where I think having a project management of professional skills is very important if the people that we are bringing in are familiar with different knowledge management systems as part of business improvement and it’s not something that most administrative civil servants know that much about.”

Executive 2

The last reason why there might be a lack of systematic learning is that, with PBM, there is a high level of reliance on external consultants. Knowledge management sits outside the organisation rather than within.

“The corporate [PBM] knowledge management for this organisation now resides with [external consultants]. It’s not here. They’re better at it.”

Central Resource 3

3.4.6.3 More Decision-makers Involved with Local Priority Setting

The third major challenge to PBM highlighted is related to adjusting priorities and moving resources. Setting priorities is difficult. However, when this is accomplished, shifts in resources do not easily follow. There is a perceived cultural reluctance to end work and for resources to move between work. By its nature, PBM across an organisation requires the movement of people between different areas. This suggests the need for a corporate approach to resourcing which makes individual managers vulnerable when they allow resources to leave. Also, the movement of resources assumes that individuals can and will work this way. It is anticipated that the mix of individuals will have to be adjusted over time.

Detailed Findings

The difficulty with setting priorities is perceived as one aspect of this PBM challenge.

“The other challenge with policy work is there will always be five times more work than people can possibly do. If I added 100 people today I could give them all incredibly good jobs and keep them busy.”

Executive 6

In PBM, when priorities are set, resources will shift to priority work. The non-priority work must be brought to an end. Conceptually this is simple, but there are limitations to moving resources between priority areas that appear to be cultural in nature.

“The key thing is to actually completely finish pieces of work so the resources can be redirected to new pieces of work. The key issue there is cultural challenge. There is reluctance to complete pieces of work. There is a reluctance to let go, and there is reluctance for resources to be mobile.”

Business Lead 1

Shifting resources to work creates a management challenge. Resource management becomes more of a corporate issue with staff moving between areas of the business. Individual managers can be left vulnerable by the timing of the movement of staff.

“This is my big management challenge and leadership challenge I face – on the one hand people coming into the team because it’s exciting and interesting work and it’s a great place to be – on the other hand [...] encouraging people to go out and get other skills. We have a recruitment challenge because we have just lost one person. He’s been nicked to go and help out another directorate for a year, so the HR issues are really, really rather important on this.”

Executive 4

Others note that it is possible to end work but the effort to do so often is as much as to complete the work. This is largely a function of the complex stakeholder relationships that have to be disentangled when work ends.

*“It’s very hard to stop work. The way we initiate work, it’s initiated by Ministers or senior staff. It’s usually got a profile and therefore it’s going to be followed through. If you were to disengage from that, you’ve actually **got as much work to disengage** as you have in following through, so why bother disengaging? It’s a huge amount of effort and often you don’t succeed.”*

Executive 3

3.4.6.4 Consultants Can be Overused

The fourth major challenge to PBM highlighted by this case study is *Consultants Can be Overused*. There is a clear deficiency in skills available to manage complex programmes and projects. Consultants are required to fill this gap. The successful use of consultants requires skills to manage the consultants that did not seem to exist when the NSRIP was set up. The extent to which consultants are being used is unsustainable in a department with reducing budgets. Some more affordable approach to introducing PBM skills will need to be considered. However, the current culture does not appear to promote the development of internal PPM skills.

Detailed Findings

Currently there is a high level of dependency on consultants for PBM. The skills needed are not readily available for complex programmes and projects and it is easier and quicker to bring in consultants.

“I think we tend to use consultants as a way of adding capacity to the organisations. Usually, it’s easier to hire people in and to use programme funding than it is to have additional people on your admin head count. So I think in a sense people are tending to bring in external people for resource managers’ capacity reasons rather than to increase skills and capability in the organisation.”

Central Resource 4

The core staff struggled with having consultants enter the teams.

“At the same time, we had [external consultants] in as well and they seemed to think they were running the Project so there was an awful lot of confusion between my role and what they were there to do. I was brought in specifically to get DoH control I guess back from [the consultant] in terms of the running of the project, if not the content. I quite often felt that I was treated like I was there to make the tea.”

PPM Manager 1

The internal development of the PPM skills for complex work is not a priority at the moment and reliance on consultants continues.

“Programme and project management isn’t recognised as an area of priority for the Senior Civil Service and so as a skill it is not deemed to be as essential as policy.”

Business Lead 4

3.4.6.5 Missing Core PMO Services

The fifth major challenge to PBM highlighted by this case study relates to *Missing Core PMO Services*. The delivery teams were expecting some specific things from the NSR Implementation PMO. The challenge with the NSR PMO is getting in place the services expected of it and doing so sufficiently quickly. The PMO focused initially on upward reporting from teams to the PMO. This assurance role did not meet the expectations of the teams and they struggled to find support. When support came from the NSR Implementation PMO it was unclear or too late.

Detailed Findings

As established in the PBM enabler *Appropriate PMO Services*, there are a number of PMOs involved with the delivery of the NSRIP. There is the corporate CoE for PPM, the various directorate PMOs and the NSR Implementation PMO as well. There are a number of specific services the teams expected from the NSR Implementation PMO.

Basic tools are expected.

“If I was in charge of the NSR programme I would have common templates which I think they have actually got now, eventually.”

PPM Manager 1

Another service is support in assessing skills and individual capability.

“I would be organising workshops and bringing people together as they see fit. You would be assessing the skills for people that are delivering the project and project managing the project. Those are the things I think that I would expect from a programme office.”

PPM Manager 1

Financial management and business case approval is another service.

“Hindsight is a wonderful thing, but it would have made far more sense if the finance bit of it could have been integrated into the remit the programme office was given to start with.”

Policy Lead 2

The challenge with the NSR PMO is putting in place the services expected of it and doing so sufficiently quickly. The PMO for the NSRIP appeared to focus on assurance and upward reporting from teams to the PMO.

“I think the remit they were given is make sure everyone’s getting their act into gear and has got project plans and you’re confident they’re going to deliver.”

Policy Lead 2

Communication links were weak.

“The feedback link, once you put those in, wasn’t really a link. [They would] leave us in a sense that if you didn’t hear anything that’s alright. I’m not sure we’d ever had [feedback] other than ‘yes that looks alright,’ which is really quite weird given the intensity of the process interest.”

Policy Lead 2

3.4.6.6 Senior Level Must be Practised in Using PPM

The seventh major challenge to PBM highlighted by this case study relates to the confidence of the senior-leadership team. There are three mechanisms that demonstrate the confidence of the leadership team: openness to external scrutiny and challenge, sharing of resources with colleagues, and challenging mediocrity.

Detailed Findings

Whether or not the senior-level team would agree, there is a perceived lack of confidence around PPM.

“The department needs more confidence around PPM. Everybody is still quite scared of PPM. I don’t think people at the top of the organisation actually understand it.”

Business Lead 2

Confidence in PPM would potentially manifest itself in a number of ways. One is to be open to external scrutiny. The development of PBO is a path of change and forging into the unknown. The external (independent) scrutiny strengthens the decisions made along the way but requires strength of character to subject oneself to constant scrutiny.

“People have anxieties and fears about raising issues. People who raise issues can get tuned out as always being the awkward one and you need some independent perspective to come in and so I think that’s a crucial part.”

Executive 6

Confidence in PPM would also manifest itself as being willing to share rather than accumulate resources. This means stopping work and giving resources away at times which can be difficult.

“With stopping, it’s a slightly different thing, I think. I think there is an issue about identity, associating a programme of work and reluctance to stop things. It’s like the Masai and cows. The more cows you’ve got - the more status you have.”

Central Resource 4

Confidence in PPM also means challenging mediocre organisational practices in the organisation. This means the leadership team will need to know what good organisational practice looks like and to lead by example.

“There are people above who let others get away with mediocre practice. I think as long as the people who set the tone of the organisation allow mediocre practice to be the tone then we will have this problem.”

Central Resource 1

3.5 Discussion

This thesis explores projectification in the public sector. In order to understand projectification in the public sector, an understanding of the underlying organisational practices that support the development of PBM capabilities is required (see Figure 6: Model of the Hierarchy of Competitive Advantage). According to Hobday (2000:872) *“we know very little about the project-based organisation or how its processes differ from those of various matrix and functional forms of organisation or how disadvantages of the project-based organisation can be overcome in practice”*. The SLR provided some insights, but concluded that further study is required. Project 2 is an embedded case study exploring enablers of PBM and challenges.

3.5.1 Contextual Conditions that Influence Projectification

The premise of RQ4 is to establish the extent of projectification, by considering the extent of the use of programmes and projects. Engwall (2003:802) suggests that, *“important aspects of a project’s inner life are dependent on the level of deviation between the practices applied within the project and the knowledge base and institutional structure of its organizational context.”* According to interviewees, the NSRIP was one of the largest, if not the largest, programme that the DoH encountered in recent memory.

Based on the study, the decision to increase the extent of PBM was not a formal decision made at top of the office and imposed on the NSRIP. Instead, the actors,

including the group of executives (i.e. Directors General and Directors), BLs, PLs, central resources, and project managers reacted by using their own professional judgement to adopt a greater level of PBO.

RQ4 considers the extent to which programmes and projects are used during projectification in the Civil Service. The interviewees compared traditional policy-making and project-based ways of working. According to the results, a traditional policy-making approach is suited to less complex pieces of works such as policy development and analysis, is less structured, exists over a much longer time period and is delivered by smaller teams that have a project-based approach. These descriptions imply that traditional policy-making is organised using FBO. The historical introduction of PBO was also described. The use of PBO has been encouraged over recent decades by central government policy to improve the delivery of projects (e.g. the IPPD Report (OPSR, 2003)). In 2003, there were two directorates in the DoH known as ‘trail-blazers’ that were taking on PBO.

There was no evidence of a specific decision to increase the use of PBO at the onset of the NSRIP. Instead, there was a collective response that happened organically. The use of PBO for the six directorates involved with the NSRIP is calculated to be 4.9 (using Table 32) on a scale of 1.0 to 9.0, where a nine represents all work is managed through projects. According to this rating more than half of the work is managed through projects and the organisations are using PBM. Using Table 48, the results suggest that the involved directorates are project-matrix organisations, where responsibilities between functional managers and project managers are shared. There is some evidence of a power shift, with project strategy influencing the overall organisation in a way that was not familiar to traditional policy-makers. The shift also puts pressure on the policy directorates to become more focused on policy delivery, at the expense of policy development. However, there was little evidence that the organisations had become project-led, where the needs of the project outweigh the functional influence of decision-making and representation to senior management.

Table 48: States of Programme-based Organising (RQ4)

Functional-based	Functional-matrix	Balanced-matrix	Project-matrix	Project-led	Project-based
No work is managed through projects	Weak project co-ordination	Stronger project co-ordination	Responsibilities and authority for each project are shared between functional managers and project managers	The needs of projects outweigh the functional influence on decision-making and representation to senior management	There is no formal functional co-ordination across project lines; the entire organisation is dedicated to one or more projects

Source: (Hobday, 2000)

There was debate about the extent to which PPM should be used. As stated by one interviewee, the use of PBM needs to be “*appropriate for the business context and not become an industry of its own.*” Unprompted, several respondents identified the concept of *Proportionality*, which was identified during the SLR as one of the

capabilities that support projectification (see section 2.5.2). Of the interviewees who replied, eight felt the degree of use was about right, seven indicated it was underused and none of the respondents felt that PPM was overused in their directorate (see Table 33). As a group, BLs, PPM Managers and Executives appeared to argue for greater use of PPM while Central Resources and PLs argued for about the same level. The variation in viewpoints appears to be related to different philosophical perspectives of the role of the department. Respondents arguing that the degree of PPM is 'about right' suggest that the department is not a project management organisation; it is a policy-making organisation. The inferred connotation of this statement is that the department's role is not to implement policy but to formulate policy. Those arguing that PPM is 'underused' indicate that a sophisticated and complex PPM capability is required for large, complex pieces of work that deliver policy into the NHS, such as the NSRIP; the existing capability, however, is insufficient for this type of work. From this perspective, the role of the department is to deliver policy. These views affect the level of attention and priority that is put on developing PBM capability.

The premise of RQ5 is to establish the extent of projectification, by considering the extent of the use of portfolios. The results show that the extent of the use of portfolios was mediocre, but improving. The Departmental Capability Review in 2007 highlighted a deficiency in the extent of co-ordination of policy work across the department and in corporate risk management. However, the results suggest that co-ordination is improving. The Policy Committee strengthened before the NSRIP was initiated and the corporate risk management processes have become more robust.

Turner & Müller (2003) identify a portfolio of projects and define it as *"an organization, (temporary or permanent) in which a group of projects are managed together to co-ordinate interfaces and prioritize between them and thereby reduce uncertainty."* Thiry and Deguire (2007) describe the internal-facing process as a *"horizontal integration process ... from formulation of the business strategy to delivery of business benefits"* and the outward-facing process as a *"vertical integration approach ... to link [PBM] to the corporate strategy"*. Combining these ideas, portfolio management might be regarded as *"the vertical and horizontal co-ordination of work across an organisation"* – the implication being that the extent of projectification is reflected by the extent of vertical and horizontal co-ordination. With regard to vertical co-ordination in the DoH, there are corporate-level and directorate-level portfolios. The Policy Committee oversaw a corporate portfolio manifested by the department-level major risks (policy-making, legislation and operations), which included major programmes such as the NSRIP. Management teams of individual directorates oversaw directorate-level portfolios, which included programmes, projects and business-as-usual work. The NSRIP challenged the corporate-level portfolio management processes. According to interviewees, it is the first time for quite a while since the department has taken on a programme of this magnitude. The departmental-level portfolio management processes are not as adept as the directorate-level processes and, in particular, struggle with co-ordinating and sharing resources across organisational units.

Horizontal co-ordination is expressed as the alignment between programmes, projects and business-as-usual (core work). As a Department of State, this means that policy-making, daily operations (IT, HR, etc.), and ongoing parliamentary activity must also be considered. According to the results, the full use of portfolio management requires formal processes for identifying, categorising, prioritising, assessing the interdependencies of work, and allocating resources to this work. It appears that six directorates associated with the NSRIP have developed portfolio management with the capability of identifying, categorising, prioritising and allocating resources to work in their portfolio.

3.5.2 Capabilities that Support Projectification and PBM

RQ6 considers the reasons why Civil Service organisations use PBM in the Civil Service. The reasons that public organisations employ PBM might vary with context (Martinsuo et al., 2006) and industry sector (Gann and Salter, 2000). The results show that the six directorates involved with the NSRIP perceived that PBM would help them cope with change, move quickly and improve accountability and transparency.

The higher order benefit *A Strategic Approach to Change* suggests that PBM can help to link the external and internal environments. This is consistent with Chandler's definition of the organisation form in Dijksterhuis et al. (1999:569), "*an important management tool for aligning organisation and environment*," which helps organisations cope with change (Pellegrinelli et al., 2007). What this benefit introduces though is the notion of a strategic approach and change management, which is discussed in the subsequent section of this study.

The higher order benefit *The Ability to Mobilise Rapidly* focuses attention on the need for available resources and capability at a point in time. Gann and Salter (2000) identify the relevance of mobilising resources in their study of project-based firms. Their study set out to explore the mechanisms by which technical support was mobilised from central resources within firms, to projects. In particular, their results show that "*the ability to assemble project teams rapidly is described by firms as a core capability for personnel at all levels of the project-based enterprise*." Their study was conducted in the context of complex products and systems (CoPS) in the private sector. This benefit, identified by both studies, appears to illustrate a similarity between the NSRIP, a major Civil Service policy programme, and that of CoPS in the private sector.

The benefit *Improve Accountability and Transparency* is based on the principles of "*visibility, predictability and accountability, and operationalized through the adherence to formalized procedure and constant written reporting mechanisms*" (Hodgson, 2004) and it increases visibility (Crawford and Turner, 2007). Olsen (2006) argues that we are entering another round in the debate and ideological struggle over what are desirable forms of administration for government. Bureaucracy has a role as an institutional custodian of *democratic-constituent principles* and also for *procedural rationality* when political will needs to be

implemented by government. From this perspective, perhaps PBM can be described as a modern, post-bureaucratic form of organising in the Civil Service. Based on this study, there are nuances to the PBM benefit *Improved Accountability and Transparency* that might not be emphasised in the traditional bureaucratic organisation: co-operation, engagement and collective leadership, as forms of accountability and transparency. In this way, the emphasis of accountability and transparency is on openness rather than attribution of fault. This may be a benefit with greater relevance to the Civil Service, although it may have similar relevance to successful PBM in the private sector.

The Seven Capabilities of PBM

A premise of RQ7 is that there are particular enabling organisational practices of PBM capability and that these *enablers* are related to the six capabilities of an FPBO identified in the Project. The results identified 38 enablers. Most enablers were easily grouped according to the six capabilities of an FPBO using an intuitive process (see Appendix 7: Project 2 – Sources Identifying Enablers of PBM.) However, a separate capability termed '*Facilitating Organisational Change*' was added to accommodate a set of enablers that did not map easily to only one of the existing capabilities. This result is consistent with the identification of '*The Ability to Mobilise Rapidly*' and '*A Strategic Approach to Change*' as key benefits of PBM.

Table 49: A Comparison of Two States of PBM (RQ7)

Capabilities of an FPBO	Project-matrix (Based on this Case)	Fully Projectised Organisation Based on Hobday (2000)
Focusing on Innovative One-Off Complex Undertaking	<ul style="list-style-type: none"> The business has a mix of knowledge-based and consultative work and routine functional work. 	<ul style="list-style-type: none"> The business tends to be knowledge-based and consultative in nature.
Putting Specialism at the Core of Resource Management	<ul style="list-style-type: none"> Some of the work of the business is temporary in nature, people move occasionally. Access to specialists is important, but specialist PPM careers do not exist. 	<ul style="list-style-type: none"> Much of the work of the business is temporary in nature, people move often, and the specialism of staff is important to industry success.
Making Investment and Strategy Decisions in Advance of Project Initiation	<ul style="list-style-type: none"> The organisation has local-level structures for commissioning and co-ordinating changes to projects. Corporate-level structures are emerging. 	<ul style="list-style-type: none"> Investment and strategy decisions are made by an external (parent) organisation in advance of the formation of the project.
Employing a Portfolio Approach to Value Creation	<ul style="list-style-type: none"> A portfolio approach to work initiation and resource allocation is more successful at local levels than the corporate level. 	<ul style="list-style-type: none"> A portfolio approach to risk taking and benefit realisation is used.
Coping with Extended and Complex Governance	<ul style="list-style-type: none"> Innovative governance arrangements are complex and designed in co-production with stakeholders. 	<ul style="list-style-type: none"> Innovative governance arrangements are complex, often including virtual arrangements that include multiple partners.
Learning across Organisational and Temporal Boundaries	<ul style="list-style-type: none"> Corporate-level and individual-level knowledge management and learning systems struggle to develop. 	<ul style="list-style-type: none"> Learning and knowledge management are embedded in the organisational ethos.
Facilitating Organisational Change	<ul style="list-style-type: none"> Individual or groups acts as a locus for change, providing change enabling services and skills. 	<ul style="list-style-type: none"> The PMO is part of a network of complex relations that links strategy, projects, and structures.

Source: Author Analysis and Hobday (2000)

A unifying set of capabilities can be used to consider the current state of PBM. Table 49 illustrates the use of the capabilities of FPBOs during two states of PBM: the idealised FPBO and the project-matrix organisation of this case. In Table 49, the capability *Employing a Portfolio Approach to Value Creation* identifies and differentiates between corporate and local portfolio processes.

3.5.3 Practices that Enable PBM Capabilities

A premise of RQ7 is that there are particular enabling organisational practices of PBM capability and that these *enablers* are related to the capabilities of an FPBO. The results identified 38 enablers. To better understand the enabling organisational practices, Table 50 summarises the enablers of PBM according to the revised set of seven capabilities of an FPBO.

Table 50: Capabilities of an FPBO and Enablers of PBM (RQ7)

Capabilities of an FPBO	Broadly and Frequently Identified Enablers of PBM	Other Enablers of PBM
Focusing on Innovative One-Off Complex Undertaking	<ul style="list-style-type: none"> Effective Use Of Consultancy 	<ul style="list-style-type: none"> Launching New Initiatives and Changing Scope Pace and Urgency *
Putting Specialism at the Core of Resource Management	<ul style="list-style-type: none"> Managed Cadre of PPM Specialists 	<ul style="list-style-type: none"> Effective SROs ** PBM Career Structure PBM Head Of Profession * PPM Talent Management
Making Investment and Strategy Decisions in Advance of Project Initiation	<ul style="list-style-type: none"> Unifying Management Framework *** 	<ul style="list-style-type: none"> Executive Level Change Control * Work Managed Collectively by The Leadership Team Work Commissioned by The Senior Team
	<ul style="list-style-type: none"> Business Plans Linked to Investment Decisions 	<ul style="list-style-type: none"> Finance At The Centre Of Decision-Making * Explicitly Defined Risks and Benefits
Employing a Portfolio Approach to Value Creation	<ul style="list-style-type: none"> Flexible Use of Resources *** 	<ul style="list-style-type: none"> Bring Work To An End Effective Resource Allocation ** Programme And Project Initiation
Coping with Extended and Complex Governance	<ul style="list-style-type: none"> PBM Capable SCS 	<ul style="list-style-type: none"> Appropriate Sponsorship Engaging Stakeholders External Assurance Management And Performance Information Co-Production With Stakeholders
Learning across Organisational and Temporal Boundaries	<ul style="list-style-type: none"> Corporate Tools and Methodologies *** 	<ul style="list-style-type: none"> Impactful PPM Centre Of Excellence Formal Reviews High Calibre Local Induction Service-Oriented Corporate Services *
	<ul style="list-style-type: none"> PPM Capable Policy-Makers 	<ul style="list-style-type: none"> Aligned Policy And Project Language ** Consultants Partnering with Policy-Makers
Facilitating Organisational Change	<ul style="list-style-type: none"> Appropriate PMO Services 	<ul style="list-style-type: none"> Conceiving PBM as Managing Change ** PMO as an Enabler of Change Appropriate PMO Skills Appropriate PMO Structure*

Note 1: Uniquely and less identified enablers of PBM are marked with a single asterisk (*.)

Note 2: Broadly but less frequent enablers of PBM are marked with a double asterisk (**.)

Note 3: Broadly and frequently identified enablers of PBM included in the causal map of PBM Benefits (see Figure 32.) are marked with a triple asterisk (***.)

The organisational practices identified broadly (i.e. most interviewees) and frequently (i.e. many instances) are listed in a separate column for emphasis. Several observations can be made regarding the relationship between the capabilities of FPBOs and enablers of PBM. The seven capabilities are supported by an array of enablers of PBM, which seem to be widely distributed across the capabilities, rather than only mapped to one or a few. Each of the capabilities of FPBOs has at least one broadly and frequently identified enabler, with *Making Investment and Strategy Decisions in Advance of Project Initiation*, and *Learning across Organisational and Temporal Boundaries* as the most frequently and broadly identified of all enablers.

Three of the broadly and frequently identified enablers were linked to PBM Benefits by the interviewees, as mapped in Figure 32. The frequently identified enabler *Unifying Management Framework* is associated with the capability *Making Investment and Strategy Decisions in Advance of Project Initiation* and supports the PBM benefit *a strategic approach to managing change*. The frequently identified enabler *Flexible Use of Resources* is associated with the capability *Employing a Portfolio Approach to Value Creation* and supports the PBM benefit *the ability to mobilise rapidly*. The frequently identified enabler *Corporate Tools and Methodologies* is associated with the capability *Employing a Portfolio Approach to Value Creation* and supports the PBM benefit *the ability to mobilise rapidly*.

The results identified six enablers of PBM which were uniquely identified by a subset of the data sources: *Pace and Urgency*, *Executive Level Change Control*, *PBM Head of Profession*, *Appropriate PMO Structure*, *Service-Oriented Corporate Services*, and *Finance at the Centre of Decision-making*. The executive sources had a particular interest in pace and urgency. PPM sources had a particular interest in executive-level change control. Central sources, BLs and PLs had a particular interest in a PPM Head of Profession. BLs and PLs had a particular interest in corporate services, finance, and the PMO Structure. These particular enablers of PBM appear to be of more concern to individual roles and the challenges these roles face. Nonetheless, they are relevant and important.

Test That Publicness Matters to PBM

This study considers whether publicness matters to PBM, using the concept of distinctive enablers and challenges to PBM. Before distinctive enablers and challenges can be discussed further, it is necessary to establish the interviewee's ability to interpret the concept of distinctiveness. As such, their experience working in and, by implication, level of awareness of both the Civil Service and private sector is summarised in Table 51. These results show that Central sources had the longest average length of service (28.8 years) followed by Executive (23.8 years), Business Lead (18.5 years), Programme and Project Manager (17.0 years), and Policy Lead (16.3 years) sources.

Table 51: Summary of Average of Years Worked in Different Sectors (RQ8)

Source	Average Years Per Person			
	Private and Other Sector Experience	Other Civil Service Experience	DoH Experience	All Experience
Central	11.0	5.8	12.0	28.8
Executive	8.2	3.7	12.0	23.8
Business Lead	4.0	4.3	10.3	18.5
PPM Manager	14.0	0.0	3.0	17.0
Policy Lead	5.3	0.0	11.0	16.3
All	8.4	3.1	10.2	21.6

Central, Executive, Business Lead and Policy Lead have less experience in the Civil Service than in the other two areas. The PPM Managers have the majority of their experience in the Private and Other public sector, with *none* in Other Civil Service organisations and a relatively small portion of their experience in DoH. Executive sources have a near equal weighting of experience in the DoH and elsewhere. Policy Leads have experience in Private and Other sectors, but none in Other Civil Service departments. Overall, there is a bias towards DoH experience with some experience from the Private and Other public sectors and noticeably less experience in Other Civil Service departments. Collectively, there is notable experience in both the Civil Service and outside the Civil Service across sources, providing some evidence that the interviewees are able to interpret the concept of distinctiveness in the public sector.

Table 52: Map of Public Organisation Capabilities to Distinctive Enablers and Challenges (RQ8)

Public Organisation Capability	Distinct Enablers of PBM	Distinct Challenges of PBM
Coping with complex extended relationships	<ul style="list-style-type: none"> Co-Production with Stakeholders. 	<ul style="list-style-type: none"> More Decision-makers Involved with Local Priority Setting.
Articulating value across organisational boundaries and time	<ul style="list-style-type: none"> Unifying Management Framework. 	<ul style="list-style-type: none"> Need for a More Comprehensive Management Framework.
Introducing innovations driven by value defined by the collective	<ul style="list-style-type: none"> Flexible Resourcing. Impactful PPM Centre of Excellence. Conceiving PBM as Managing Change. 	<ul style="list-style-type: none"> Continual Construction of Value and Purpose.
Navigating politicised decision-making processes	<ul style="list-style-type: none"> PBM Capable SCS. 	<ul style="list-style-type: none"> Volatile Nature of Ministerial and Parliamentary Decision-making. Continual Review and Public Scrutiny.
Managing the professional autonomy of the workforce	<ul style="list-style-type: none"> Consultants Partnering with Policy-Makers. Aligned Policy And Project Language. PPM Capable Policy-Makers. Effective Use of Consultancy. 	<ul style="list-style-type: none"> Conflict Between Project Management and Policy-making Specialists. Policy-makers Must Have Strong PPM Skills.

The findings of RQ7 identified 38 enablers of PBM capability, of which ten are deemed by the author's analysis to be distinctive to the Civil Service. A list of enablers can be found in Appendix 7: Project 2 – Sources Identifying Enablers of PBM. RQ8 identified 28 challenges to PBM capability, of which seven are deemed by the author's analysis to be distinctive to the Civil Service. A full list of challenges can be found in Appendix 8: Project 2 – Sources Identifying Challenges of PBM. Table 52 is used to consider the relationship between the distinctive enablers and

challenges of PBM capabilities in the public sector and public organising capabilities identified in the preceding SLR: *Introducing innovations driven by value defined by the collective, Navigating politicised decision-making processes, Managing the professional autonomy of the workforce, Coping with complex extended relationships and Articulating value across organisational boundaries and time.*

Using Table 52, a cohesive and compelling relationship between the capabilities of public organising and the distinctive enablers and challenges is suggested, whereby:

- Complex Extended Relationships: co-production with stakeholders enables, but increased involvement of decision-makers at a local level is challenging,
- Value across boundaries: a unifying management framework is required, but it is difficult to construct a comprehensive one,
- Introducing innovations: flexible resourcing, change management and an impactful centre of excellence enable, but the continual construction of value is challenging,
- Politicised decision-making: a PBM capable SCS enables, but the volative nature of political decision-making and continual review and scrutiny are challenges,
- Professional autonomy: consultants working well with PPM capable policy-makers enables, but lack of PPM capable policy-makers and conflicts between professionals are challenges.

This analysis illustrates how publicness matters to PBO.

A Newly Conceived PMM Model - Derived using PBM Capabilities

The introduction to Project 2 reveals that PMM models are inadequately conceived (Maylor et al., 2006) (see section 2.2.1). This section responds to this issue by developing the foundations for a newly conceived PMM model. A premise of RQ7 is that there are practices that enable PBM capabilities and a premise of RQ8 is that challenges signal that enabling organisational practices, which create FPBO capabilities, are missing or are struggling to succeed.

Table 53: Dominant Enablers of PBM and Challenges of PBM (RQ8)

Capabilities of an FPBO	Broadly and Frequently identified Enablers of PBM	Broadly and Frequently identified Challenges of PBM
Focusing on Innovative One-Off Complex Undertaking	<ul style="list-style-type: none"> Effective Use of Consultancy 	<ul style="list-style-type: none"> Consultants Can be Overused
Putting Specialism at the Core of Resource Management	<ul style="list-style-type: none"> Managed Cadre of PPM Specialists 	<ul style="list-style-type: none"> Conflict Between Project Management and Policy-making Specialists
Making Investment and Strategy Decisions in Advance of Project Initiation	<ul style="list-style-type: none"> Unifying Management Framework 	<ul style="list-style-type: none"> Need for a More Comprehensive Management Framework
	<ul style="list-style-type: none"> Business Plans Linked to Investment Decisions 	<ul style="list-style-type: none"> Continual Construction of Value and Purpose
Employing a Portfolio Approach to Value Creation	<ul style="list-style-type: none"> Flexible Use of Resources 	<ul style="list-style-type: none"> More Decision-makers Involved with Local Priority Setting Volatile Nature of Ministerial and Parliamentary Decision-making
Coping with Extended and Complex Governance	<ul style="list-style-type: none"> PBM Capable SCS 	<ul style="list-style-type: none"> Senior Level Must be Practised in Using PPM Continual Review and Public Scrutiny
Learning across Organisational and Temporal Boundaries	<ul style="list-style-type: none"> Corporate Tools and Methodologies 	<ul style="list-style-type: none"> Require a Systematic Process For Learning From the Past
	<ul style="list-style-type: none"> PPM Capable Policy-Makers 	<ul style="list-style-type: none"> Need to Have Other Civil Service PBM Experience
Facilitating Organisational Change	<ul style="list-style-type: none"> Appropriate PMO Services 	<ul style="list-style-type: none"> Missing Core PMO Services

Table 53 suggests the components of a PMM by first listing the identified enabler and challenges facing the seven capabilities of an FPBO. To simplify the discussion, only broadly and frequently identified enablers and challenges are used. The pairing of challenges and enablers for each capability emphasises the types of organisational practice areas that require attention during PBM and projectification in the Civil Service. Based on the two right-hand columns in the table, there are considerations:

- Consultancy: the effective use of consultancy appears to be about appropriate use, and not overuse, of consultants,
- Cadre of Specialists: needs to be developed and managed effectively,
- Unifying Management Framework: a unifying management framework that is operated across complex public governance structures,
- Value and purpose: Business plans and investments need to accommodate the evolution in the understanding of value and purpose that is experienced in the public sector,
- Flexible Use of Resources: the need for priority setting and moving resources to cope with the volatile nature of Ministerial and Parliamentary decision-making,
- PBM Leadership: PBM capable leadership appears to be about confidence,
- Tools for corporate learning: Corporate Tools and Methodologies need to include learning systems,
- Policy-maker skills: policy-makers would benefit from development of policy-delivery skills from other civil service departments, i.e. learning through apprenticeship, as is common to specialists working in FPBOs,

- **Appropriate PMO Services:** appropriate PMO Services are about providing a foundation of PBM Capabilities to Build Upon (e.g. developing competencies and methodologies, multi-project management, and strategic management).

These areas imply a rich set of values and norms, managerial systems, skills and knowledge and technical systems as considered by Leonard-Barton's (1992) dimensions of core capability (see section 2.4.1.1 for a fuller description of her model.) To explore the application of her model more fully, all of the enablers of PBM and challenges were mapped to values and norms, managerial systems, skills and knowledge, and technical systems using Table 54, Table 55, Table 56 and Table 57 respectively. Enablers and challenges that formed a common theme were grouped as described in the example above (Table 53). Seventeen organisational practices result: three for values and norms, six for managerial systems, three for skills and knowledge, and five for technical systems. Each of these sets is discussed in order.

Table 54: PBM Capability - Value and Norms Organisational Practices

Value and Norms Organisational Practice	PBM Enabler (Dominant enablers are embolden)	PBM Challenge (Dominant challenges are embolden)
Probity and Accountability	• Work Managed Collectively By The Leadership Team	• Leadership Team must Function as a Collective • Continual Review and Public Scrutiny
Ability to Mobilise Rapidly	• Pace And Urgency	• Creating An Imperative For Action
A Strategic Approach to Change	• Conceiving PBM as Managing Change • PMO as an Enabler of Change • Co-Production With Stakeholders	• Volatile Nature of Ministerial and Parliamentary Decision-making

The enablers and challenges mapped to the **values and norms dimension** are listed in Table 54. Analysis produced three organisational practices. Labels for the organisational practices were derived from the benefits to PBM analysis conducted in section 3.4.3 resulting in Figure 32, which resulted in three key benefits: *Probity and Accountability*, *Ability to Mobilise Rapidly* and *A Strategic Approach to Change*. According to Table 54, the organisational practice *Probity and Accountability* is enabled by *Work Managed Collectively by The Leadership Team* and challenged by the *Leadership Team must Function as a Collective* and *Continual Review and Public Scrutiny*. *Ability to Mobilise Rapidly* as an organisational practice is enabled by *Pace and Urgency* and challenged by *Creating an Imperative for Action*. The inherent introspective nature of 'traditional' policy-makers does not make the organisation predisposed to the *pace and urgency* sought by the executive sources. *Conceiving PBM as Managing Change*, *PMO as an Enabler of Change* and *Co-Production With Stakeholders* enable *A Strategic Approach To Change*. The challenge is the *Volatile Nature of Ministerial and Parliamentary Decision-making*. The dynamic context of the Civil Service can lead to a reactionary approach if the capability of the organisation is not strong enough to cope with stakeholder, ministerial and parliamentary pressures.

The enablers and challenges mapped to the **Managerial System dimension** are listed in Table 55. Analysis produced six organisational practices of PBM

capability: *Professional Collaboration, Business Planning and Portfolio Management, Appropriate Use of Consultancy, Impact of PPM CoE, Visibility of Management Framework and Appropriate PMO Services and Capabilities.*

Table 55: PBM Capability - Managerial System Organisational Practice

Managerial System Organisational Practice	PBM Enabler (Dominant enablers are in bold)	PBM Challenge (Dominant challenges are in bold)
Professional Collaboration	<ul style="list-style-type: none"> Aligned Policy and Project Language Consultants Partnering with Policy-Makers Managed Cadre of PPM Specialists PBM Career Structure PPM Talent Management 	<ul style="list-style-type: none"> Conflict Between Project Management and Policy-making Specialists Requires a PPM Specialism for Complex PBM
Business Planning and Portfolio Management	<ul style="list-style-type: none"> Maturity in Bringing Work to An End PBM Investment Decisions Are Linked to Business Plans Efficient Resource Allocation Executive Level Change Control Elegance in Launching New Initiatives and Changing Scope Programme And Project Initiation 	<ul style="list-style-type: none"> Continual Construction of Value and Purpose Must be Able to Launch and Manage Large Cross-Cutting Pieces of Work Must be Able to Bring Work to An End Smoothly Must be Able to Move Resources To Priority Areas Across the Organisation
Appropriate Use of Consultancy	<ul style="list-style-type: none"> Effective Use of Consultancy 	<ul style="list-style-type: none"> Consultants Can be Overused
Corporate PPM Centre of Excellence	<ul style="list-style-type: none"> Impactful PPM Centre of Excellence PBM Head of Profession 	<ul style="list-style-type: none"> Need for Professional Leadership of the PBM Profession PPM CoE Must be Visible and Active
An Established Management Framework	<ul style="list-style-type: none"> Appropriate Sponsorship Formal Reviews Unifying Management Framework Work Commissioned by Senior Team 	<ul style="list-style-type: none"> Need for a More Comprehensive Management Framework Accountabilities Must be Clear Work Must be Commissioned More Formally and Clearly
Designing the PMO	<ul style="list-style-type: none"> Appropriate PMO Services Appropriate PMO Skills Appropriate PMO Structure 	<ul style="list-style-type: none"> Missing Core PMO Services

Professional Collaboration is one of the organisational practices for creating PBM capability. Professionals require a staff managerial system that enables collaboration. These systems will formally establish *aligned policy and project language*. The managerial system will formally ensure *consultants are partnering with policy-makers*. Formal management mechanisms for a *managed cadre of PPM specialists* (including both policy and project managers), *PBM career structures* and *PPM Talent Management* will encourage professional collaboration. The Challenges of PBM working against professional collaboration are *conflict between project management and policy-making specialists*, and a *PPM specialism that is not supported*.

Business Planning and Portfolio Management is another managerial system organisational practice. In the NSRIP, these two concepts are linked. Although it appears that business planning dominates at the corporate level, these two appear more balanced at the directorate level (see section 3.4.2 above). This organisational practice is enabled by a managerial system that fully considers that *PBM Brings work to an end, Business plans Linked to PBM Investment Decision*,

Efficient Resource Allocation, Executive Level Change Control, Elegance in Launching New Initiatives and Changing Scope, and Programme and Project Initiation. This managerial system organisational practice is faced by the Challenges of PBM Continual Construction of Value and Purpose, Must be Able to Launch and Manage Large Cross-Cutting Pieces of Work, Must be Able to Bring Work to An End Smoothly, and Must be Able to Move Resources To Priority Areas Across the Organisation.

Use and Consultancy is the third managerial system organisational practice. This is an area of continued concern and apparent unclear management. The ongoing PBM challenge is *Consultants Can be Overused*. The fourth managerial system organisational practice is related to having an *Impactful PPM Centre of Excellence (CoE)*, which is a corporate-level routine along with *PBM Head of Profession*. The Challenges of PBM to consider include *Need for Professional Leadership of the PBM Profession* and *PPM CoE Must be Visible and Active*. The fifth managerial system organisational practice is related to *An Established Management Framework*. The framework will include the many components of a *unifying management framework* identified earlier and accommodates the enablers of PBM *Appropriate Sponsorship, Formal Reviews and Commissioning by Senior Management*. The Challenges of PBM that face the organisational practices are a *Need for a More Comprehensive Management Framework, Accountabilities Must be Clear, and Work Must be Commissioned More Formally and Clearly*. Finally, the sixth managerial system organisational practice is related to *Designing the PMO*. The enablers of PBM *Appropriate PMO Services, Appropriate PMO Skills and Appropriate PMO Structures* create this capability organisational practice. This organisational practice is challenged by *Missing Core PMO Services*.

The enablers and challenges mapped to the **skills and knowledge dimension** are listed in Table 56. Analysis produced three organisational practices of PBM capability: *Policy-maker Skilled in PBM, Corporate Learning and Knowledge Management, and Leadership and SROs Skilled in PBM* (see Table 56.)

Table 56: PBM Capability - Skills and Knowledge Themes

Skills and Knowledge Themes	PBM Enabler (Dominant enablers are in bold)	PBM Challenge (Dominant challenges are in bold)
Policy-Makers Skilled in PBM	<ul style="list-style-type: none"> • High Calibre Local Induction • PPM Capable Policy-Makers 	<ul style="list-style-type: none"> • Encouraging Apprenticeship • Policy-makers Must Have Strong PPM Skills • Need to Have Other Civil Service PBM Experience • High Quality Local Induction Required
Corporate Learning and Knowledge Management	<ul style="list-style-type: none"> • Corporate Tools and Methodologies • Service-Oriented Corporate Services 	<ul style="list-style-type: none"> • Require a Systematic Process For Learning From the Past
Leadership and SROs Skilled in PBM	<ul style="list-style-type: none"> • Effective SROs • External Assurance • PBM Capable SCS 	<ul style="list-style-type: none"> • Senior Level Must be Practised in Using PPM

The *Policy-Makers Skilled in PBM* is the first skills and knowledge-based organisational practice of PBM capability. It has two identified enablers of PBM: *high calibre local inductions* for PPM related work and *PPM capable policy-makers*.

This organisational practice has a number of Challenges of PBM associated with it: *Encouraging Apprenticeship, Policy-makers Must Have Strong PPM Skills, Need to Have Other Civil Service PBM Experience and High Quality Local Induction Required*. The second skill and knowledge-based organisational practice is *Corporate Learning and Knowledge Management*. It is supported by two enablers of PBM: *Corporate Tools and Methodologies* that capture learning and having mature responsive *Service-Oriented Corporate Services* that are highly adaptive learning systems. Overall, the PBM challenge that is associated with this dimension is *Require a Systematic Process For Learning From the Past. Leadership and SROs Skill in PBM* is the final skills and knowledge-based organisational practice. Three enablers of PBM support it: *Effective SROs, External Assurance and PBM Capable SCS*. The PBM challenge facing this organisational practice is *Senior Level must be practised in Using PPM*.

Table 57: PBM Capability - Technical System Themes

Technical System Themes	PBM Enabler (Dominant enablers are in bold)	PBM Challenge (Dominant challenges are in bold)
Resource Management	<ul style="list-style-type: none"> Flexible Use of Resources 	<ul style="list-style-type: none"> Must be Able to Move Resources To Priority Areas Across the Organisation HR Services Must be Strong
Financial Management	<ul style="list-style-type: none"> Finance at the Centre of Decision-making 	
Risk and Benefit Management	<ul style="list-style-type: none"> Explicitly Defined Benefits and Risks 	<ul style="list-style-type: none"> Risks and Benefits Must be Managed More Formally
Performance Management	<ul style="list-style-type: none"> Management and Performance Information 	<ul style="list-style-type: none"> Management Requires Support in Gathering Decision-Making Information
Stakeholder Management	<ul style="list-style-type: none"> Engaging Stakeholders 	<ul style="list-style-type: none"> A More Structured Approach to Working with Stakeholders is Required

The enablers and challenges mapped to the **technical systems dimension** are listed in Table 57: *Resource Management, Financial Management, Risk and Benefit Management, Performance Management System and Stakeholder Management*. Labels for the organisational practices were derived from the seven perspectives identified in the OGC's (2008b) P3M3 model, with organisational governance being an additional perspective that was not used as a label for technical systems. The concepts in the governance perspective are captured in the organisational practices for the managerial system dimension above.

Resource Management is the first technical system-based organisational practice. It is supported by the PBM enabler *Flexible Use of Resources* and faces the Challenges of PBM *More Decision-makers Involved with Local Priority Setting* and *Weak HR systems*. *Financial Management* is the second technical system-based organisational practice, which is supported by the PBM enabler *Finance at the Centre of Decision-Making*. There is no specifically identified PBM challenge identified by this study. This is not to infer there are no challenges. Rather the enabler was a weakly identified enabler and it is more likely that this is not deemed to be as strong a concern overall. More attention was paid to business planning and hence the associated managerial system. The third technical system-based organisational practice is *Risk and Benefit Management*, which is supported by the PBM enabler *Explicitly Defined Benefits and Risks* and faced with the PBM

challenge *Risks and Benefits Must be Managed More Formally*. The fourth technical system-based organisational practice is *Performance Management*, which is supported by the PBM enabler *Management and Performance Information* and faced by the PBM challenge *Management Requires Support in Gathering Decision-Making Information*. Finally, the last technical system-based organisational practice is *Stakeholder Management*, which is supported by the PBM enabler: *Engaging Stakeholders* and faced by the PBM challenge *A More Structured Approach to Working with Stakeholders is Required*.

3.5.4 Other Research Opportunities

As a result of this research project, future research opportunities exist. These are identified in this section according to opportunities that arise by considering methodological approaches, theoretical considerations, research target and extensions, generalisation and context, and practitioner focus.

Methodological Approaches

I identified a set of enablers and challenges of PBM capability during Project 2, some of which I designated as dominant (frequently and commonly identified). There is an opportunity to apply a quantitative methodology to understand the relative significance (dominance) of individual enablers and challenges, and the statistical correlations between them.

Theoretical Considerations

This study considers the development of PBM capabilities. The case was an organisation that was undergoing projectification and was conducting PBM. It is conceivable that an organisation could be conducting PBM, but reducing its capabilities (deprojectification). It is unclear if and how the findings of this study would apply.

Research Target and Extensions

This study considered the enablers and challenges of PBM capabilities for a project-matrix organisation that was conducting PBM. A similar study could be conducted with a more projectised organisation, one that was closer to becoming an FBPO.

Generalisation and Context

This study was conducted in the DoH. There is an opportunity to test findings in other Civil Service departments and in other public sector settings.

Practitioner Focus

This study develops a PBM capability development in response to limitations to other PMM models. There is an opportunity to confirm the contents it in practice.

3.6 Conclusions

The Public Sector organisations undergo projectification (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014) when they begin to manage a larger portion of its work using projects. This study views successful projectification in the public sector through the lens of organisational capabilities (Dosi et al., 2000; Galbraith, 1973; Leonard-Barton, 1992; Mintzberg, 1979; 1983b; Prahalad and Hamel, 1990; Winter, 2003). This study considers this phenomenon by exploring *the enablers and challenges of developing PBM capabilities*. This study adopts an interpretivist research paradigm supported by a constructionist epistemology, idealist ontology and abductive research strategy. The strategy is operationalized using an embedded case study. The results of Project 2 were derived from a study of six directorates in the DoH responding to the pressures of implementing the NSRIP, considered the largest policy initiative the Department had seen in living memory. This study uses 20 semi-structured interviews and secondary archival sources.

The preceding section included a synthesis of the results of an embedded case, supported by historical documents. Building upon the earlier work of this thesis, this chapter draws together insights turning them into conclusions. At the end of this study, a number of overall conclusions about projectification in the Public Sector have emerged. These are summarised using three headings: Contextual Conditions Influencing Projectification, Capabilities that Support Projectification and PBM and Practices that Enabler PBM Capabilities.

Contextual Conditions of Projectification

With the initiation of the NSRIP in 2009, the DoH faced delivering a complex innovative policy initiative that was larger and more complex than it had the capability to deliver. It adapted, increasingly using PBO. This scenario represents a typical case of a public organisation undergoing projectification.

RQ4 considers the extent to which projects and programmes are used during projectification in the Civil Service. The study concludes that the six directorates operated as a project-matrix organisation, with slightly over half of the work in the directorates managed through projects. The six directorates continued to deliver the standard business of a Department of State, managed using FBO. Of note, the term *programme* is a frequently used word. However, the word is used liberally to mean a policy initiative. It does not carry with it the nuances of benefit realisation, change management, and project governance found in project management literature. This illustrates, in a simple way, the unique nature of PBO in the public sector.

RQ5 considered the extent to which portfolios are used during projectification in the Civil Service. In support of the NSRIP, there are two levels of portfolio management, one operating at a directorate level, the other at a corporate level. Of these two, the directorate level is much more clearly structured and formally accepted. The NSRIP is designed to have a significant effect on the NHS. Interestingly, there was little or no indication of formally established portfolio management mechanisms that linked or aligned this group of directorates. There were discussions about engaging with stakeholders in the NHS and *co-development* of policy. However, recognisable and structured portfolio management that formalises priority setting and resource allocating did not appear to exist.

Capabilities that Support Projectification and PBM in the Public Sector

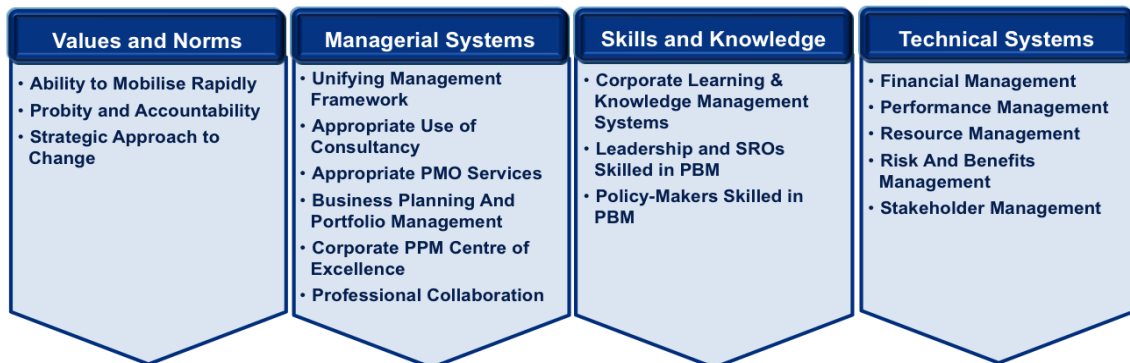
RQ6 considered the reasons for adopting PBO. The proposition was that public organisations adopt PBO to help cope with a fast-changing environment and manage internal complexity. For this project-matrix organisation, three terminal (key) benefits of PBM are identified: *Improved Accountability and Transparency*, *A Strategic Approach to Managing Change* and *The Ability to Mobilise Rapidly*. *Improved Accountability and Transparency* is also a feature of a bureaucratic form of organising. The terminal benefit *A Strategic Approach to Managing Change* suggests that PBM links the external and internal environments. The terminal benefit *The Ability to Mobilise Rapidly* suggests a resource-based view of the organisation whereby it is critical to have available resources to deploy at a point in time. The study can be seen to confirm that PBM provides benefits to the Civil Service by helping the organisation cope with a fast-changing (turbulent) environment which is identified as *A Strategic Approach to Managing Change* in this study. Although the original proposition suggested that PBM provides benefit by helping to manage internal complexity, the results draw more attention to the external environment and the organisation's response to it.

RQ7 confirmed the set of six capabilities of an FPBO derived from the preceding SLR: *Innovative Complex Undertaking*, *Putting Specialism at the Core of Resource Management*, *Making Investment and Strategy Decisions in Advance of Project Initiation*, *Employing a Portfolio Approach to Value Creation*, *Coping with Extended and Complex Governance*, and *Learning across Organisational and Temporal Boundaries*. It also identified a seventh capability, *Facilitating Organisational Change*. In a project-matrix organisation in the public sector, *Making Investment and Strategy Decisions in Advance of Project Initiation* may need to be adapted, as value is determined collectively and on an ongoing basis. Also, the concept of a portfolio approach to value creation is only weakly supported by the enablers and challenges. Regardless, the study concludes that the new set of seven capabilities is valid for a public sector organisation.

Practices that Enable PBM in the Public Sector

RQ7 considers the enabling organisational practices of PBM capability development in the public sector. The study identified 38 enabling organisational practices, with nine being dominant (broadly and frequently identified). See Appendix 7: Project 2 – Sources Identifying Enablers of PBM. RQ8 considers the challenges of PBM capability development in the public sector. The study identified 28 challenges of developing PBM capability, with 11 being dominant (broadly and frequently identified). See in Appendix 8: Project 2 – Sources Identifying Challenges of PBM.

The preceding SLR concluded that publicness matters and identified five capabilities of public organising: *Introducing innovations driven by value defined by the collective, Navigating politicised decision-making processes, Managing the professional autonomy of the workforce, Coping with complex extended relationships and Articulating value across organisational boundaries and time* (see Table 52). However, it was unclear if these theoretical capabilities are enacted in practice. This study used the concept of distinctiveness to help confirm that publicness matters in practice. RQ7 identified eight enabling organisational practices that were distinctive to the Civil Service. RQ8 identified seven challenges that were distinctive to the Civil Service. This analysis provides further evidence that publicness does matter during PBM in public organisations and illustrates how it is enacted.



Source: author analysis

Figure 33: PBM Capability Framework: Summary of Themes

The introduction to Project 2 reveals that PMM models are inadequately conceived (Maylor et al., 2006) (see section 2.2.1). This section responds to this issue by developing the foundations for a newly conceived PMM model with 17 organisational practices for assessing capability across the four dimensions of capability: values and norms (3 organisational practices), managerial systems (6 organisational practices), skills and knowledge (3 organisational practices), and technical system (5 organisational practices). Figure 33 summarises the model. See the full model in Appendix 9: Project 2 – PBM Capability Model. As a typical case, this model is proposed as a framework for other public sector organisations.

3.6.1 Contribution to Research

Based on the findings, there are several particular implications of the research that have emerged.

Implication R1: The study demonstrates how 38 enablers of PBM support the six capabilities of an FPBO: *Innovative Complex Undertaking, Putting Specialism at the Core of Resource Management, Making Investment and Strategy Decisions in Advance of Project Initiation, Employing a Portfolio Approach to Value Creation, Coping with Extended and Complex Governance, and Learning across Organisational and Temporal Boundaries* (see Table 50 and associated description.)

Implication R2: The study demonstrates how publicness matters to PBM, using eight identified distinctive enabling organisational practices and seven identified distinctive challenges to developing PBM capability in the public sector (see Table 52 and associated description.)

Implication R3: This study identified a seventh additional capability of an FPBO that was not identified during Project 1, *Facilitating Organisational Change*.

Implication R4: The identified PBM benefits *Improving Accountability and Transparency* and *The Ability to Mobilise Rapidly* complement the findings of the SLR, which identified two principles of organising in the public sector: accommodating the interests of the public (Olsen, 2006; Budd, 2007) and frequent organisational transformation (Dijksterhuis et al., 1999; Christensen and Lægreid, 2001b)

Implication R5: PBM faced 28 challenges, of which 11 were dominant (commonly and frequently identified) and five were both dominant and distinctive to the Civil Service. The five distinctive challenges suggest that PBM is different in a public sector context.

Implication R6: Developed a PBM Capability Development Framework with 17 organisational practices created by grouping the enablers and challenges of PBM and mapping them to dimensions of capability: value and norms, managerial systems, skills and knowledge and technical systems. (Leonard-Barton, 1990)

3.6.2 *Contribution to Practice*

Based on the findings, there are several particular implications of the research that have emerged.

Implication P1: The role highlights the important role of the PMO, as a facilitator of organisational change and capability development it is underdeveloped. Practitioner education in this area is apparently needed.

Implication P2: Policy and PPM specialists experience conflict during projectification. The study proposes that new entrants receive support to understand the four principles of public organising: Democratic engagement, Transparency, Hybridisation and Societal transformation. Training and induction should be made available to new people.

Implication P3: The study identified how structure collaboration within the leadership team is an area of deficiency. Several organisational practices that are important, but face challenges, include corporate level portfolio management and the development of a unified management system.

Implication P4: The study highlighted how the PPM Specialist profession is under supported. For example, the learning system is inadequate. By its nature, PBO needs to be an 'industry' (i.e. Civil Service-wide) system. Insights from this study may be helpful to Civil Service reform initiatives in this area.

Implication P5: Departmental Capability Development models have been criticised as being incomplete. The study developed a PBM Capability Development Framework that is created by grouping particular enablers and challenges of PBM capability into organisational practices and mapping them to Leonard-Barton's (1990) dimensions of capability. This could inform major project and Departmental Capability assessments.

Implication P6: Publicness matters. A set of enablers and challenges were identified, which the Cabinet Office might consider when next updating their best management practice guidance.

4 Project 3 – Development of PBO Routines In the Public Sector

4.1 Abstract

Purpose: This study explores projectification (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014), the increased use of PBO, in public organisations; it views success through the lens of organisational capabilities. The study explores the development of routines in response to five distinctive, frequently and broadly identified (dominant) challenges faced by the Civil Service during PBM and the actors involved.

Research Design: This study adopts an interpretivist research paradigm supported by a constructionist epistemology, idealist ontology and abductive research strategy. The strategy is operationalized using an embedded retrospective case study of the DoH during the early phases of the NSRIP. The study uses 21 semi-structured interviews and secondary archival sources.

Findings: The organisational units responded to the distinctive and dominant challenges of PBM by developing a set of 17 routines. After two years, only six routines were strongly developed. For each dominant challenge, the organisational units were unable to fully develop one or more routines. Although the pattern varied slightly between organisational units, all of the involved actors succeeded in developing some routines, while all struggled to fully strengthen at least one routine.

Researcher Implications: As a typical case of PBM in the Civil Service, the study informs how PBM capability is developed over time. In an organisation without inheritable routines from the parent organisation, the study presents PBM as both the agent and object of change, relying upon itself to develop capability. This study challenges the insular conception of PBO presented in DeFillippi and Arthur's (1998) seminal study. It acknowledges the importance of temporality unrepresented in Leonard-Barton's (1992) dimensions of capability. Finally, the research supports Hodgson's (2004) suggestion that PBM might be another form of bureaucratisation.

Practitioner Implications: Organisations strengthening their level of PBM must consider the practical implications, availability of routines to inherit and the skill and knowledge of the five involved actors in building PBM capability: initiating major programmes, guidance for project-based practices, refreshing professional skills for government, Civil Service reform and the ongoing reviews of departmental capability.

Key words: projectification, project-based, organisational form, public sector, civil service, capability, success, routines, actors, PMO, practices, inheritance, pace

4.2 Introduction

Despite the growth in the use of projects, there is relatively little research on how organisations develop PBM capabilities (Acha et al., 2005), and a paucity of research of projectification, PBM or PBO, in the public sector. This thesis explores projectification (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014), the increased use of PBO, in public organisations. The thesis views project success through the lens of organisational capabilities (Crawford, 2006).

The preceding SLR (project 1) provided an integrated theoretical foundation, based on the exploration of the literature found at the confluence of public, project and organisational management. According to the preceding study, FBO and PBO co-exist in organisations and organisations that undergo projectification shift the balance between FBO and PBO. When more of the work is managed using PBO, the organisation is deemed to be using PBM for the purposes of this study. The SLR described a framework for building capabilities, whereby organisational practices are matured and embedded in an organisation, thus becoming a routine. Routines are grouped together to form capabilities. The study concluded that as PBM capabilities are developed, the relationship between a parent organisation and the PBO and FBO of an organisational sub-unit matters. However, how this is manifested is not fully understood and requires further investigation. The preceding case study (Project 2) defined a set of enabling organisational practices and challenges of PBM capabilities and a PBM Development Framework. However, this is a static view of capabilities; it does not consider how the organisational practices and PBM capabilities are developed over time. Pettigrew et al. (2001) have critiqued the literature on organisational change, proposing that researchers should pay greater attention to history, pace and sequencing.

4.3 Research Design

This chapter describes the research design for this study, which is adapted from a protocol proposed by Blaikie (2000) as illustrated in Figure 34.



Figure 34: Core Elements of Social Research Design

The overall thesis topic was introduced in the preceding background section. The remaining research design topics are discussed in the following sections. Section 4.3.1 defines the specific research objectives and questions. Section 4.3.2 describes the overall research strategy. Section 4.3.3 explores the concepts, theories, propositions and models relevant to this study. Section 4.3.4 identifies data sources, types and forms, and is followed by section 4.3.5, which summarises the selection of data sources. Section 4.3.6 outlines the data collection methods and timing. Section 4.3.7 outlines the data reduction and analysis processes. Subsequently, section 4.3.8 assesses the quality of the research design to affirm that the research protocol adheres to the principles of quality empirical social research. Finally, section 4.3.9 highlights some of the limitations of this study.

4.3.1 *Research Objective and Question*

This study is the third of three research projects contributing to a doctoral research thesis exploring projectification in the public sector. As established in the SLR for this thesis, PBM is not found to be a singular homogeneous state, whereby the organisation adopts only PBO – a form of organising favoured when the work of the organisation is about fast-paced time-limited change. Instead, PBM is an approach to organising that acknowledges the coexistence of PBO alongside FBO, a form of organising favoured when the work of the organisation is about managing and operating established services, products or business functions in order to deliver known benefits. The intensity with which these two organisational forms are used is inversely related to each other and exists along a continuum that is affected by the ability of the organisation to deliver strategic or policy intentions using the two forms of organising.

The concept of PBM capability is explored by various researchers, with Prencipe and Tell (2001) relating the concept of capability directly to PBM. In doing so, they describe project-based firms as a population of projects that possess *quasi-genetic* traits that embody the organisation's capabilities. Their theory is that these *quasi-genetic* traits are retained in the firm, despite the change in content and structure of activities and can be inherited. In investigating organisational project capability, other researchers (Andersen and Jessen, 2003; Cooke-Davies and Arzymanow, 2003; Crawford, 2006; Kerzner, 2009) have identified the interrelated nature of competence, organisational practices and maturity in improving project success. Andersen and Jessen (2003) describe maturity as the sum of action (ability to act and decide), attitude (willingness to be involved), and knowledge (an understanding of the impact of willingness and action). Their research shifts the discourse away from a focus on identifying and embedding best practices and towards the dynamics of organising and the capability to organise.

This final study is an empirical study that advances the findings of Projects 1 and 2. I propose that the preceding studies develop a useful, but incomplete view of projectification in the public sector. This project challenges the assumption that PBM is a state of being. This third study recognises that PBM capability does not exist by charter. Instead, it recognises that it changes over time according to the

organisational context in which it operates (Acha et al., 2005; Shenhar, 1998). The premise that capability creation is fluid, as described by Pettigrew (1997), led me to consider temporality and a research question focused on the dynamics of creating PBM capability over time (RQ9), using the concepts of routines explained in section 4.3.3.

Pettigrew et al. (2001) promote a processual view of change where actors are both products and producers, and the dual quality of agents and contexts are recognised. Acknowledging that PBO needs to be “*designed by and around people*” (Lundin and Söderholm, 1995:441), further consideration of the relationship between players and developing PBM capability is of interest. This leads to a research question exploring the involvement of key players (RQ10). These two research questions form the basis for Project 3 and are used to develop the design and methodology.

Table 58: Project 3 – Research Questions

RQ9.What distinctive routines are developed when creating PBM capability in the Civil Service?
RQ10. Who are the key players involved in the development of PBM capability in the Civil Service? How are they involved?

4.3.2 Research Strategy

Project 3 adopts an interpretivist research paradigm supported by a constructionist epistemology, idealist ontology and abductive research strategy, as described in section 1.3.1 of the linking document.

The temporality of developing capabilities is relevant to the design and operationalization of the research strategy in this study. A longitudinal case considers the same case at two or more different points in time with the theory of interest specifying how certain conditions change. A fast-paced phenomenon would demand short-duration and frequent observations. However, with projectification, the organisational changes occur over an extended period of time, and can take years. The extended period of time introduces a particular concern with observations. Leonard-Barton (1990) used the *retrospective case study* as an approach to resolve limitations with the daily observations of an extended longitudinal study. She describes the retrospective study as “*the collection of datum after events have occurred*” and as useful for “*identifying patterns indicative of dynamic processes*” (Leonard-Barton, 1990:248).

Every research methodology has inherent limitations, which must be considered in the research design. According to Leonard-Barton (1990), the most significant limitation of wholly retrospective research is the difficulty of determining cause and effect from reconstructed events. Moreover, she notes that, although studies have shown that the participants in organisational processes do not forget key events in these processes as readily as one might suppose, the participant-informant in a wholly retrospective study may not have recognised an event as important when it occurred and thus may not recall it afterwards. To help mitigate

this limitation of a retrospective study, the third study adopts several approaches. First, it includes archival (secondary) sources. Further, the concepts, theories, and models from the preceding two research projects are exploited when appropriate. Project 3 is grounded in the observations of project 2, which were not explored retrospectively, but *in situ*. These approaches help to confirm the findings.

In conclusion, an interpretivist research paradigm is adopted, along with an abductive research strategy that is implemented using an embedded retrospective case study, having interviews and archival data as sources. The case study will test theory across ‘cases’ or across parts of the embedded case.

4.3.3 Concepts, Theories, Propositions and Models

Feldman and Pentland (2003:93) use the term *routine* when describing how capabilities are dynamically created in project-based forms of organising and define it as, “*repetitive, recognizable patterns of interdependent actions involving multiple actors*”, which are seen to be performed over time and space. Routines can be a source of inertia and resistance (Levinthal and March, 1993), while at the same time a source of flexibility and endogenous change (Feldman and Pentland, 2003). Acha et al. (2005:255) use the term *meta-routines* to describe patterns of behaviour, which “*comprise procedural memory of general process rather than declarative memory*”. Their perspective considers the embedded nature of routines, whereby they are fully incorporated as an inherent part, and hence are commonplace, familiar and normal. For the purposes of this study, Feldman and Pentland’s (2003) perspective is adopted and the term *routine* is used rather than *meta-routine*.

I propose framing the propositions for this study using the dominant (frequently and widely identified) challenges of PBM distinctive to the Civil Service, identified in Project 2 and summarised in Table 59, with the premise that practitioners must in some way consider and accommodate the reality of these dominant challenges in order to effectively create and maintain a PBM capability in the Civil Service over time.

Table 59: The Dominant Challenges to PBM in the Civil Service

Dominant Challenges to PBM in the Civil Service
Conflict Between Project Management and Policy-making Specialists
Continual Construction of Value and Purpose
Volatile Nature of Ministerial and Parliamentary Decision-making
Continual Review and Public Scrutiny
Need to Have Other Civil Service PBM Experience

In identifying the underlying mechanisms, which I postulate are routines, I am seeking the tendencies that are produced or observed as a result of the dominant challenges. As such, the other challenges that were identified are not ignored outright. Rather, as it has been established that the dominant challenges are observable and, according to Bresnen et al.’s (2005) definition, routines are

interdependent, the realities of PBM will be observed empirically through the actual responses and relationships expressed in response to the dominant challenges. Using this logic, the five dominant challenges in Table 59 are used to develop propositions for exploring RQ9 *“What distinctive routines are developed when creating PBM capability in the Civil Service?”*

4.3.3.1 Specialists

The first dominant challenge used to explore the research question *“What distinctive routines are developed when creating PBM capability in the Civil Service?”* is concerned with specialists and the professions to which they belong. One of the priorities of the IPPD report mentioned previously (OPSR, 2002; 2003), was the establishment of a project management professional specialism. Given that the public sector is a *professional bureaucracy* operating according to deeply entrenched norms and values where non-core roles are expected to serve the core profession (Mintzberg, 1983b), it is reasonable to expect tensions between an incumbent profession and the dominant profession, which in this case is the policy-making profession.

To exacerbate potential professional tensions, studies (Hodgson, 2004; McNulty and Ferlie, 2004) show that the impetus for change is not strong enough to overcome the existing norms of behaviours (of policy-makers) that would allow professional autonomy and existing functional structures to be replaced with more integrated process-based structures.

McAuley et al. (2000:110) caution managers from assuming that professionals are not interested in management, as they may only be *“giving a different meaning to what they require from management than does, for example, managerialist orthodoxy.”* This leads to the conclusion that, in order to invoke managerialist reforms intended to develop organisational project management, the actions that managers want to *“get policy-makers to do”* need to be received and acted on by policy-makers who are keen to *“employ their own judgement about what to do and how to do it.”* The structured intentions of managers and the independent judgement of policy-makers need somehow to coexist.

These observations lead to the first proposition about developing PBM capability in the Civil Service over time:

Proposition 1: PBM capability in the Civil Service is developed over time through routines that align the organisational practices of the policy-making specialists with those of the PPM specialists.

4.3.3.2 Construction of Value and Purpose

The second area in which to explore the research question *“What distinctive routines are developed when creating PBM capability in the Civil Service?”* is concerned with the construction of value and purpose. The considerations

affecting the construction of value and purpose are multi-fold. The first consideration relates to the temporality of investment decision-making. DeFillippi and Arthur (1998) note that capital and strategy decisions are often made before the project (enterprise) even exists. By its nature, project strategy is often compartmentalised from project initiation and calls for special treatment by skilled practitioners. This means that in advance of developing PBM, strategists must comprehend PBM. To complicate matters, in practice, once a project is initiated, the purpose of the project can and often does change. In a highly politicised environment, the likelihood of change is heightened, amplifying the need to continually reconstruct the understanding of value and purpose. If the shift is minimal, the process of reconstructing value and purpose may be a modest one. Commonly, however, the shift is significant and the reconstruction process is complex and non-trivial. DeFillippi and Arthur (1998) further note that projects generally dissolve before the outcome of the investment is known, effectively severing the relationship between the project and its purpose and value. In this way, the accountability for value transfers to another part of the organisation or to another organisation entirely.

The construction of value and purpose is affected by the novel nature of projects and the fact that novel projects are at a higher risk of failure. From a financial perspective, Gann and Salter (2000) observe that a small number of projects are profitable, some break even, but many fail. The portfolio response is to accept that failures will happen and mitigate the impact of those failures through a collective management of many projects, some of which will succeed. The expectation is that a well-managed portfolio will produce value overall and over time, although some individual projects may not achieve their objective in the near term. This introduces a temporal consideration.

The complex extended relationships that are inherent to the public sector also affect the construction of value during PBM. In response, the ideology of NPM promotes co-production as a principle of organising in the public sector (Ferlie et al., 1996; Moore, 1995; Osborne and Gaebler, 1993) as summarised in Figure 35. The preceding studies identified organisation to organisation (O2O) learning as critical to co-production, however, problematic in principle. The realities of co-production and learning as part of NPM in the Civil Service are not fully explored in the literature.

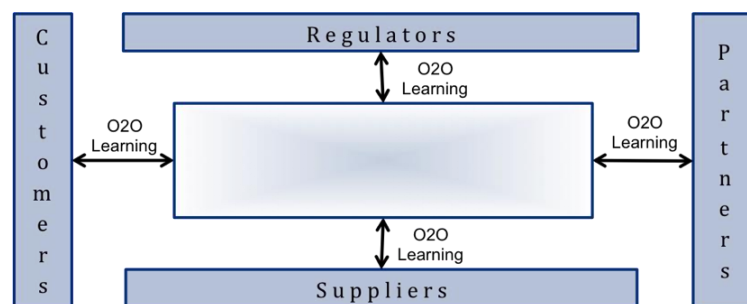


Figure 35: Co-Production with External Stakeholders

These observations lead to the second proposition about developing PBM capability in the Civil Service over time:

Proposition 2: PBM capability in the Civil Service is developed over time through routines that enable value and purpose to be effectively negotiated across temporal and organisational boundaries.

4.3.3.3 Volatility of Ministerial and Parliamentary Decision-making

The third area in which to explore the research question *“What distinctive routines are developed when creating PBM capability in the Civil Service?”* is concerned with the volatility of ministerial and parliamentary decision-making. Quinn and Cameron (1988) observe that public sector initiatives often lack consensus and clear definition of overall outcomes. This is understandable as public policy initiatives, in general, are attempting to address social agendas that are multi-faceted. Considering the reduction of social deprivation as a policy initiative example, the levers of change are embedded within a multitude of policy areas such as the economy, jobs, education, health, crime, and even transportation. Creating a simple set of objectives where all stakeholders agree on value and approach is extremely complex. Instead, a continual process of negotiation and exploration exists. Events will allow consensus to form in particular areas where action can then be enacted. However, new events will shift consensus and the public sector organisations must be flexible enough to adjust to the forming consensus. A particularly poignant example of a major shift in consensus occurred after the changes in government that also brought new parties to power in 1997 and again in 2011.

There is another aspect to the volatility of ministerial and parliamentary decision-making. I assert that, on an ongoing basis, individuals are looking for improvements in the quality of and access to services. Accepting this assertion, it can be reasoned that the self-interest of individuals translates, at a macro level, into a collective call upon politicians for more public services. However, Quinn and Cameron (1988) note that increased revenue does not generally result from producing or delivering more services (however, costs do increase). The reality is that economic conditions and markets limit overall government spending. This rationing therefore leads to negotiations within and across government on priorities. Consensus may emerge, but is also likely to shift over time as circumstances change. The preceding research projects have emphasised that flexible resource allocation is the practical and necessary response of experienced civil servants.

These observations lead to the third proposition about developing PBM capability over time:

Proposition 3: PBM capability in the Civil Service is developed over time through routines that enable the flexible use of resources.

4.3.3.4 Public Review and Scrutiny

The fourth area in which to explore the research question “*What distinctive routines are developed when creating PBM capability in the Civil Service?*” is concerned with public review and scrutiny. By their nature, the internal workings of public sector organisations are much more visible than their private sector counterparts. It can be argued that this is desirable in a publicly funded system. Rainey in Kelman (2005) observes the effect of this as being a greater sensitivity of those in the political system to scandal and the allocation of resources to avoid scandals, as opposed to creating results. On the surface, this may appear wasteful; however, when a public sector organisation encounters scandal, it loses some or all of its ability to deliver because it is consumed with the resulting inquiries and reviews. It is a necessary preoccupation for a viable Civil Service organisation to have well managed systems for public review and scrutiny.

Quinn and Cameron (1988) observe that professionals delivering public services are generally resistant to classic ‘line management’ relationships. Instead, the professionals work to their own professional standards rather than those of management. PBM relies upon project management experts, who, according to the preceding research studies, may appear to policy experts as bureaucrats along with line managers and business administrators. Public sector reforms do not seem to have broken down the hierarchical lines of authority and thinking that would make room for PBO and PPM specialists.

From a PBM-specific perspective, policy-projects introduce changes, which expose the organisation to increased scrutiny. It takes skilled and knowledgeable PBM leaders to deliver on new policy-projects, while facilitating public review and scrutiny, and optimising the associated demands for sufficient resources to avoid and manage incidents. In this way, the PBM leaders cannot just have project management experience and expertise; they must also have general management and public management experience and expertise.

These observations lead to the fourth proposition about developing PBM capability in the Civil Service over time:

Proposition 4: PBM capability in the Civil Service is developed over time through routines that integrate public review and scrutiny into policy-project implementation.

4.3.3.5 Other Civil Service PBM Experience

The fifth area in which to explore the research question “*What distinctive routines are developed when creating PBM capability in the Civil Service?*” is concerned with learning from other Civil Service organisations. Gann and Salter (2000) indicate that, paradoxically, organisations that are project-based are not inherently designed for learning and knowledge management, as they have a high turnover of staff and professionals value novelty rather than the routine that comes from

applying learning. The challenge for developing a PBM capability that does not dissipate when project individuals move to other roles is to create a learning system that operates beyond the scope of individuals with deep project management expertise.

Based on empirical evidence, Prencipe and Tell (2001) identify three learning processes that PBM draws upon: experience accumulation, knowledge articulation and knowledge codification. Based on empirical evidence, they submit that there are different types of *“learning landscapes”* in which learning happens. Learning landscapes acknowledge that learning processes are found at various levels of the organisation (individual, group and organisation) and that organisations put a different emphasis on the three learning processes: Type 1 (the explorer) in which organisations rely primarily on the individual and on experience accumulation; Type 2 (the navigator) in which organisations focus on implementing individual and group mechanisms for project-to-project learning and focus on knowledge articulation; and Type 3 (the exploiter) in which organisations focus on articulating and codifying knowledge across all levels, i.e. individual, group and organisational. At the individual level, practitioners must find themselves in an environment conducive to reflection and learning, which does not always occur in organisations. This environment must be created within the project itself, at least partially, as bureaucratic organisations do not inherently have the learning systems to cope with the pace of change presented by projects (Patton, 2007).

Keegan and Turner (2001:78) have a model that also acknowledges learning processes acting at various levels of the organisation (organisation, population and individual). They elaborate on levels of learning: *“individual learning occurs when a person acquires new ideas or skills,” “organisational learning occurs when an organisation institutionalises new routines or acquires new information,”* and *“population level learning occurs when the activities of the entire population change in response to the fact that some firms are thriving and others are not.”* Keegan and Turner’s (2001:78) *“population level”* learning is similar to the *“group level”* learning described by Prencipe and Tell (2001). Their view of organisational learning is founded on the conception of learning as *“an evolutionary process where a constant cycle of variation, selection and retention leads to change”* and the development of new routines. According to all of these authors, learning is an evolutionary process operating at various levels within an organisation.

One of the dominant challenges of PBM that is distinctive to the Civil Service (Table 59), and identified by the previous study, is *learning from other PBM experiences*. This highlights the challenges of accumulating experiences from other Civil Service organisational units, articulating the knowledge, and then codifying it for future use. This leads to the fifth proposition about developing PBM capability in the Civil Service over time:

Proposition 5: PBM capability in the Civil Service is developed over time through routines that exploit the skills and knowledge of PBM from other Civil Service experiences.

The necessary data sources, types and forms to test the five propositions of this study are established in the following section.

4.3.4 Data Sources, Types and Forms

Studying PBM draws attention to what Corbin and Strauss (2008:95) define as the “*sub-organisation area*”, or something smaller than the whole organisation. For the purposes of this research and convenience of language, I use the term *organisational unit* to identify a sub-organisational area of interest. Also for the purposes of this study, the organisational area is a division within a Civil Service department that has evidence of PBM, which includes a set of projects and a PMO.

Yin (2009:47) suggests that the rationale for selecting a particular case can be that it is a critical case (used to test a well-formulated theory), an extreme case (for rare situations where any single case is worth documenting), a typical case (a common situation), a revelatory case (for difficult to analyse phenomena), or a longitudinal case (a single case at two or more points). Given the nature of the propositions, in that they consider PBM capability development over time, this case study needs to be longitudinal.

A case study can be considered as a history of a past or current phenomenon, drawn from multiple sources of evidence. It can include data from direct observation and systematic interviewing as well as from public and private archives. Indeed, any fact relevant to the stream of events describing the phenomenon is a potential datum in a case study, since context is important (Leonard-Barton, 1990).

As established in the previous empirical research project, several actors participate in PBM in the organisational unit including executives overseeing programmes and projects, resources from the directorate PMO, policy-maker, programme and project manager and corporate sources that include a PPM Centre of Excellence (CoE). The primary data sources from which data were collected are listed in Table 60.

Table 60: Primary Data Sources

Data Sources	Type	Proposition
Executive (e.g. Directors General, Directors)	Primary	P1, P2, P3, P4, P5
PMO (e.g. Business Management)	Primary	P1, P2, P3, P4, P5
Policy-Maker	Primary	P1, P2, P3, P4, P5
Programme Manager	Primary	P1, P2, P3, P4, P5
Corporate Resources (e.g. PPM CoE)	Primary	P1, P2, P3, P4, P5

Internal documents provide complementary data (e.g. Senior Management Team monthly reports and reviews). These were noted during interviews.

4.3.5 Source Selection

The NSRIP in the DoH was selected as the source for the preceding empirical research study. The rationale for selecting this particular department and this particular programme (See Source Selection – The Departments, and Source Selection – The Programme in the preceding study for details) also applies to this research project: the department is large enough to have a significant set of projects, but is small enough to have a relatively unified approach to PBM, while the programme has significant policy-implementation initiatives (rather than an internal initiative designed for other reasons such as operational efficiencies). To reinforce the value of selecting the DoH, Greer (2007:7) notes that, “*the DoH is especially important in broader debates about the future of the Civil Service. More than any other department, it is the Whitehall that governments want. It is one of the purest products of the delivery-oriented, business like ‘new public management’ that has been orthodoxy in the UK since the 1980s [...] On present trends, it is the future of Whitehall, and that means that its strengths and weaknesses should be examined by more than health policy analysts.*”

There is further logic for selecting the NSRIP for this study. The study builds upon the findings of the preceding research projects, i.e. the PBM dominant challenges listed in Table 59. The extent of PBM was established for the organisation studied in the preceding research project. The directorates delivering the NSRIP were described as operating as a project-matrix organisation with more than half of their work managed using projects. It is more likely that this overall research thesis will be internally consistent if it is conducted in an organisation with the same extent of PBM, in order to avoid the potential erroneous use of previous findings. The safest way to do this is to continue working in the same programme in the same department, i.e. the NSRIP at the DoH.

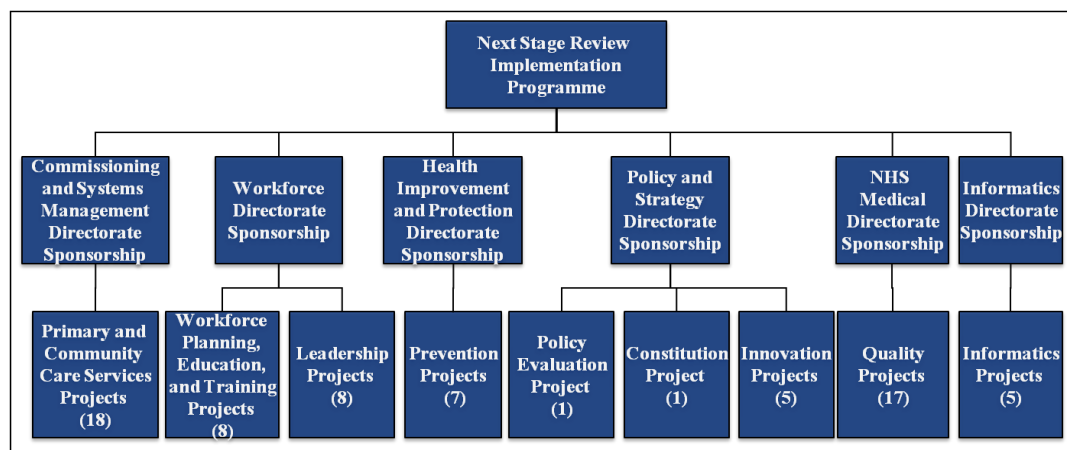


Figure 36: NSR Implementation Programme Organisational Schematic

There is a final logic to selecting the NSRIP for this study too. As this is a retrospective study, the data gathered during the previous study will potentially be relevant and can be re-analysed to provide additional depth to findings. For the identified reasons, the process of source selection is limited to considering the

organisational units embraced by the NSRIP. There are nine organisational units identified in Figure 36. Recalling that FBO and PBO coexist, the *organisational unit* for the study is manifested through the combination of a directorate (i.e. FBO) and a set of projects (i.e. PBO), e.g. Primary and Community Care Services projects in the Commissioning and Systems Management Directorate.

Two organisational units were selected to allow for contrast and comparison. In order to improve the success of data collection and analysis, a set of criteria for choosing the organisational unit for this study is defined:

- Only one set of projects from each directorate: This criterion is set because the theory behind PBM states that FBO and PBO exist at the same time in a given organisational context. In order to allow for variation in findings, different settings are desired. Directorates represent the organisation's FBO structure. Hence, different directorates are also desired. This means one and only one set of projects should be selected from each directorate.
- An identifiable PMO: the literature identifies that a differentiating feature of PBM is a PMO. According to the results of the previous empirical research, an active PMO exists in all directorates, albeit in different forms of maturity.
- A sufficiently large set of projects: This criterion is set to ensure there are sufficient potential interviewees. With a small number of interviewees, both the depth and breadth of analysis and the opportunity to confirm findings is limited. Given their size, this criterion excludes two of the nine sets of projects: 'Constitution Projects' and 'Policy Evaluation Projects'.
- Organisationally stable directorates: This criterion is set to ensure that the changes in capability that result from restructuring do not affect the findings. Organisations that have undergone mergers with another organisational unit or have been disbanded are excluded; this therefore excludes the Commissioning and Systems Management Directorate and the Policy and Strategy Directorate.
- Uniformity in the culture of the organisational units (i.e. project and directorate groupings): This criterion is set to ensure that there is coherence in the capability being investigated. Groups of projects that are very organisationally dispersed will be excluded. In effect, this criterion suggests that large project sets be avoided; it excludes 'Planning, Education and Training Projects,' 'Primary and Community Care Services Projects,' and 'Quality Projects'.

Application of the criteria leaves three organisational units as preferred sources: 'Leadership Projects' in the Workforce Directorate, 'Informatics Projects' in the Informatics Directorate, and 'Prevention Projects' in the Health Improvement and Protection Directorate. Of these three, the Leadership Projects (see Appendix 17: Project 3 - Workforce Directorate/Leadership Projects for a description) and Informatics Projects (see Appendix 18: Project 3 - Informatics Directorate/Informatics Projects for a description) are the selected sources for this study. The logic of selecting these two areas is based on the contrast they provide, with Leadership being a new policy-area having minimal PBM infrastructure in comparison to the Informatics Directorate, which has a history of PBO. Prevention

Projects was considered to be between these two extremes and was not selected as an area of study as it was deemed that this would make the scope for this study too large.

4.3.6 Data Collection and Timing

The data collection for this study is targeted at two selected organisational units using the in-depth perspective of semi-structured interviews and internal documents as a primary source and the broader perspective of public records as a secondary source.

In the design of the in-depth study of selected organisational units, an effort was made to collect representative data. This required a minimum of one interview per identified role per organisational unit, i.e. executive, PMO, policy-maker, programme manager, and corporate resource. As an organisational unit becomes more project-based, the relative density of project-based sources increases, and as an organisation becomes more functional, the relative density of project-based sources decreases. Also, the size of a PMO can vary. The numbers of policy-makers, programme managers, and PMO sources were increased to reflect the relative sizes of each function in each of these organisations. In the design, I attempted to collect sufficient data to achieve theoretical saturation during coding. The number of data sources by role and organisational unit are identified in Table 61.

Table 61: Data Collection – Primary Sources

Data Sources	Workforce Directorate/ Leadership Projects	Informatics Directorate/ Informatics Projects
Executive (e.g. Directors General, Directors)	2	2
PMO (or Business Management)	2	1
Policy-Maker	2	1
Programme Manager	2	4
Corporate Resource (e.g. PPM CoE)	3	

Interviews were scheduled and conducted during the four months between October 2010 and February 2011 (see Appendix 15: Project 3 - Semi-Structured Interview Schedule for a detailed schedule). Each selected interviewee was sent a brief in advance of the interview. The brief was pre-tested for clarity with two individuals before finalising it. Minor corrections were made to clarify and simplify the purpose and interview questions. A revised version of the brief is at Project 3 - Pre-Interview Briefing.

Fifteen of the interviews were conducted in person on DoH premises and four via telephone. At the start of all interviews, a review of the purpose of the interview was provided, a verbal restatement of the confidentiality of the process was made, permission that the interview data could be used for research purposes was sought, and permission to record the interview was requested. Permission was granted in all instances. At this point, recording began. To have a record, I asked the interviewees to restate their permission for the interview to be recorded and I stated my commitment to confidentiality and appropriate use of data. Individual

interviews lasted between approximately 42 and 85 minutes with the overall average being 57 minutes (see Table 62 for a summary of the average interview duration according to the type of source.)

Table 62: Interview Data Summary

Organisational Unit	Number of Sources	Average Interview Duration (minutes)
Leadership Projects	8	56.9
Corporate Resource	3	58.7
Informatics Projects	8	60.3
All	21	57.0

4.3.7 Data Reduction and Analysis

This section describes how raw data were reduced and then analysed. The data for this study included over 1,084 minutes of recorded interviews from primary sources transcribed verbatim into text and an array of government documents. According to Corbin and Strauss (2008), collecting and analysing semi-structured interviews can be both messy and time-consuming using manual methods. Qualitative analysis software was recommended as a useful tool in identifying and managing these relationships. The qualitative analysis software NVivo (QSR International Pty Ltd, 2012) was used, given successful experiences with its application.

NVivo aided the process of identifying concepts, optimising coherence of concepts, minimising transgression (creating non-unique concepts), and in relating concepts to one another, i.e. axial coding Corbin and Strauss (2008). Scholars have different perspectives on whether organisations consist of things or processes. This study could be described as process research (Langley, 1999; Packendorff and Lindgren, 2014; Pettigrew, 1997; Van de Ven and Poole, 2005). My approach to data reduction and analysis for this process research was designed using three coding schemas. The first considered the temporal nature of processes; the second considered the actors affecting the processes; and the third is a 'reification' of the acting processes (i.e. expressed as *routines*, as described in section 4.3.3).

Table 63: First Coding Schema – Temporal Brackets

Timeline Codes
Phase 0 (Jul 2007 - Jan 2008)
Phase 1 (Jan 2008 - Jun 2008)
Phase 2 (Jun 2008 - Jan 2009)
Phase 3 (Jan 2009 - Dec 2009)
Phase 4 (Jan 2010 - Dec 2010)

The first schema employed *temporal brackets* (see Table 63), which Langley (1999:703) describes as one of seven strategies for sense making during process research. This strategy is particularly relevant when trying to understand mechanisms during process research. She describes this strategy as moderately accurate, moderately simple and moderately generalisable. In practical terms, an

initial coding of the interview data was conducted using one simple *a priori* code schema for data relevant to establishing a timeline. In the final coding, key milestones from the start of the NSRIP to December 2010 were captured using five emergent codes. Emergent coding is a process of reading and developing ideas about a datum, which results in codes that may later be assigned to other codes as ideas evolve. It is emergent because the coding did not necessarily begin from a theoretical concept informing the initial design of the analysis (Lewins, 2001). What resulted was a code for five phases of the programme and a time period for each.

Table 64: Second Coding Schema - Actors

Role Codes
Corporate Resource
PMO/Business Management
Executives
Policy Maker
Programme and Project Manager

A second schema was used to consider roles (see Table 64). Feldman and Pentland (2003:95) argue that a theory of organisational routines that *“includes agency, and, therefore, subjectivity and power, enables us to understand more about the dynamics of organizational routines and how these relate to stability, flexibility, and change in organizations.”* I accepted this premise in this study and used five *a priori* codes, one for each of the predefined interviewee roles, to capture details of individuals’ roles.

Table 65: Third Coding Schema – Initial Based on Propositions

PBM Capability Development – Two-part Codes (initial)	
P1 – Routines that Embrace the Dominance of the Policy-making Profession	<ul style="list-style-type: none"> • Appropriate Use of Consultancy • Policy-Makers Skilled in PBM • Professional Collaboration
P2 – Routines that Allow Value and Purpose to be Negotiated Over Time	<ul style="list-style-type: none"> • Risk and Benefits Management • Stakeholder Management
P3 – Routines that Enable the Flexible Use of Resources	<ul style="list-style-type: none"> • Ability to Mobilise Rapidly • Appropriate PMO Services and Capabilities • Business Planning and Portfolio Management • Financial Management • Resource Management • Strategic Approach to Change
P4 – Routines that Effectively Integrate Public Review and Scrutiny into Policy-Project Implementation	<ul style="list-style-type: none"> • Leadership and SRO (Senior Responsible Owner) Skilled in PBM • Performance Management • An Established Management Framework • Probity and Accountability
P5 – Routines that Allow Skills and Knowledge of Other Civil Service PBM Experiences to be Exploited	<ul style="list-style-type: none"> • Corporate PPM Centre of Excellence • Corporate Learning and Knowledge Management Systems

A third coding system was adopted, using a code for each of the five propositions and then expanding these with sub-codes. This approach acknowledges the need to identify what Langley (2009:410) describes as the *“underlying logic or generative mechanisms.”* The PBM organisational practices derived from enablers of PBM and challenges were used as the initial sub-codes. The results are given in Table 65.

The same coding was used for the data from both organisational unit sources: Workforce Directorate/Leadership Projects organisational unit, the Informatics Directorate/Informatics Projects organisational unit and also associated secondary sources. Further analysis of the data was conducted using multiple passes. Although these passes are described in sequence, there were interactions between them and, consistent with an abductive research strategy, the process was iterative and emergent. During the first pass, data were mapped to a specific sub-code, if there was a relevant predefined concept. Alternatively, data were mapped broadly to a proposition if a relationship was perceived. During the second pass, the data broadly mapped to a proposition were analysed to identify new emergent concepts and, hence, sub-codes. The existing sub-codes were reviewed to consider the impact of emergent sub-codes and were either expanded or condensed accordingly. During the third pass, the coding employed what Langley (2007:275) describes as a *nouns to verbs* perspective, where the “*use of gerunds immediately adds movement to an initially static and well defined object forcing consideration of how the objective is achieved over time.*” This was done to reflect the nature of this study, i.e. explaining PBM capability development over time. During this pass, sub-codes were reviewed to ensure that nouns were converted into verbs and that the headings for the final codes reflected the text that supported them. The final coding schema for the five propositions is listed in Table 66.

Table 66: Third Coding Schema - Final

Proposition	Adapted Final Codes
P1 – Routines that Align the Organisational Practices of the Policy-making Specialists with those of the PPM Specialists	<ul style="list-style-type: none"> • Integrating Specialist Resources • Mediating Between Policy and PPM Specialists • Tempering Project Planning for Policy-making • Legitimising the PPM Profession • Understanding Accountability and Scrutiny in the Civil Service
P2 – Routines that Enable Value and Purpose to be Effectively Negotiated across Temporal and Organisational Boundaries	<ul style="list-style-type: none"> • Developing Benefit Realisation Management • Building a Compelling Narrative • Establishing and Maintaining a Mandate
P3 – Routines that Enable the Flexible Use of Resources	<ul style="list-style-type: none"> • Integrating Business Planning across Organisational Units • Developing Robust PMO Services • Developing a Culture of Continuous Improvement
P4 – Routines that Integrate Public Review and Scrutiny into Policy-Project Implementation	<ul style="list-style-type: none"> • Leading and Motivating Teams During Rapid Change • Developing SROs Experienced in Civil Service PBM • Establishing a Management Framework
P5 – Routines that Exploit the Skills and Knowledge of PBM from other Civil Service Experiences	<ul style="list-style-type: none"> • Developing Individual Careers • Developing Directorate Learning Systems • Integrating PBM with Corporate Learning Systems

An abductive research strategy is the logic of interpretivism. The abductive research strategy begins by exploring social actors’ meanings and interpretations to generate description and understanding. The strategy inherently uses abstract logic to derive second-order theoretical concepts. Conceptually, the abductive strategy has several layers: observing facts objectively, analysing the facts using comparison and classification without hypothesis, inductively drawing

generalisations as the relations between the facts and conducting further cognitive tests as necessary. With social constructionism, researchers attempt “*as far as possible not to draw a distinction between the collection of data and its analysis and interpretation*” (Easterby-Smith et al., 2002:117). Instead they blend these techniques and applying them iteratively.

Once all interviews were coded, subsequent analysis was conducted on the codes for RQ9 and RQ10, according to an abductive research strategy. Because data reduction is both messy and time-consuming, a range of cognitive mapping tools and techniques can be used to visually display domains of knowledge, associated concepts and the relationship between concepts (Fiol, 1995; Fiol and Huff, 1992; Huff and Jenkins, 2002), including the use of tables.

A *temporal* narrative for RQ9 was created using coded text for each of the organisational units, by analysing the data in various ways. First, a base timeline was developed for the NSRIP with phases that represented major milestones found in the data. This was overlaid with descriptive data such as headcount and leadership roles for each organisational unit using Table 67, Table 70 and Table 75. PMO services were assessed according to the defined timeline using Table 68 and Table 71. Other data, such as staff satisfaction data emerged during the study and this was captured according to the same timeline for each organisational unit, e.g., Table 69 and Table 76.

The next stage was to conduct detailed analysis of each code (i.e. routine) by organisational unit looking for temporal clues, suggesting a change in a routine. For coded text, superfluous words were removed and additional words inserted, if necessary, to aid readability, although this was minimised to retain the integrity of the speaker’s voice. Initial insights were captured for each sub-code. This entire analysis was summarised for each organisational unit in Table 73 and Table 80 showing each routines and changes over time as interpreted by the interviewees.

Involved actors were studied (RQ10) by first identifying relationships between actors and routines using the data and then overlaying the identified changes to routines using Table 74 and Table 81. This was used to identify the more successful routines and the involved actors.

The final stage of analysis was to compare organisational units looking for commonalities and differences to generate additional. The full list of routines is listed in Appendix 27: Project 3 - Summary of Key Insights by Routine. The insights from the analysis were developing into a narrative in the findings for each question. These are written below in the results section according to the research questions.

4.3.8 Quality of Research Design

Four tests are commonly used to establish the quality of empirical social research (Yin, 2009:40):

- Construct validity: identifying correct operational measures for the concepts being studied
- Internal validity (for explanatory or causal studies only and not for descriptive or exploratory studies): seeking to establish a causal relationship, whereby certain conditions are believed to lead to other conditions, or be distinguished from spurious relationships
- External validity (generalisability): defining the domain to which the study's findings can be generalised
- Reliability: demonstrating that the operations of a study – such as the data collection procedures – can be repeated, with the same results

To aid validity and reliability of results, insights and conclusions, several specific approaches were adopted during this study. First, I attempted to be methodologically rigorous, making the research methodology as transparent as possible. Second, large amounts of the original text are included in this study, allowing others to scrutinise them. Third, initial insights were shared with a smaller set of interviewees to test my interpretation of the data. Fourth, historical documents were used to establish comparable results to those derived from semi-structured interviews, aiding in triangulation. Fifth, two organisational units were studied and compared with archival text as a form of triangulation that also aids generalisability. Finally, the emerging conclusions were considered in relation to the findings of the two preceding research projects.

4.3.9 Limitations

This study, as with all research, has theoretical, methodological or practical limitations that must be acknowledged and considered. This area is discussed here.

4.3.9.1 Theoretical Limitations

This study is founded on a study of the major challenges facing a Civil Service organisation while using PBM. The current extent of PBO is defined as a project-matrix organisation in Project 2. In project 3, I do not consider the consequences of the extent of PBO and how this affects the study.

4.3.9.2 Methodological Limitations

This thesis is founded on an SLR method and an embedded case study. The study is a retrospective study of the early phases of the NSRIP in the DoH starting in 2007 and stopping in 2010, before it reached its closing phases. This study does not assess whether other approaches to organising were possible when implementing the NSRIP; nor does it consider the elements of PBM adopted were deemed to follow recommended or 'best' practice. Instead, it simply explores the approach taken, using the lens of PBM, as a typical case in the Civil Service.

Interviewees might be driven by policy and compliance to current language rather than actual practice that reflects the routines employed. It may be difficult to distinguish whether practices are following stated policies and guidance for best practice or the other way around.

4.3.9.3 Practical Limitations

There were three steps in the analysis of the five defined research propositions, with particular limitations faced during each step. During the first step of the analysis, the results from semi-structured interviews with sources from the two organisational units were used to identify routines that were relevant to the five propositions. Seventeen routines emerged. It is possible that there were other routines, but these did not become evident. As identified in the research design, interviewees may not have recognised these routines or they may not have featured in their minds as important when being interviewed.

During the second step of the analysis, an assessment of the level of development of each routine was defined for the beginning and end of the study of the NSRIP according to each source type. The level of development at the start and end of the study period was rated as weak, medium or strong. The choice of these ratings arose to describe the theoretical consideration of developing capability. The assessment of the levels was subjective and only had three levels. I believe the three levels were sufficient to show relative change over time, but limited overall by their inexactitude.

During the final stages of data reduction and analysis, I developed insights by comparing organisational units. I chose only two organisational units, given the depth of data collection and analysis required. The two that were studied did show variability, but other variations could have been observed had there been more organisational units in the study.

4.4 Findings - Workforce Directorate/Leadership Projects (2008-2010)

This chapter identifies the results from semi-structured interviews of individuals associated with the Workforce Directorate/Leadership Projects organisational unit and associated secondary sources. This organisational unit was responsible for delivering a subset of the projects within the overall NSRIP, as described in Appendix 17: Project 3 - Workforce Directorate/Leadership Projects . The results of the study of this organisational unit begin with a timeline using *temporal brackets* (see section 4.3.7 Data Reduction and Analysis) followed by the detailed results relevant to each of the five propositions for this study, and end with a summary of the key insights that emerge.

4.4.1 Leadership Projects Timeline

The NSR Review Implementation Programme followed the NSR Review and formally began in July 2007 when Lord Darzi asked nine of England's ten Strategic Health Authorities to review existing health services and to formulate strategies

for improving health services in their region. During the NSR Review, a theme of work around organisational leadership in the NHS emerged. At this time, there was no organisational unit that was accountable for leadership-related policy-making at the DoH and it had to be created. This area of policy-making continued beyond December 2010, the end of the timeframe of this study. During the study timeframe, there were five identified phases. These are summarised chronologically below.

4.4.1.1 Phase 0 (Jul 2007 to Jan 2008)

Phase 0 was about defining leadership as a policy area in the Workforce Directorate. Initially, David Nicholson, Permanent Secretary of the National Health System, contracted McKinsey Consulting to conduct an initial analysis on behalf of the DoH, including Workforce Directorate. They helped to scope the policy work required and conducted the analysis as part of the initial policy development work. A policy team was not yet in place for Leadership at this time.

As the NSR work increased, the Director General was faced with elevated delivery expectations; she moved the existing Head of the Workforce Programme Office (WPO) to another directorate in the department and recruited somebody to lead the development of a new PBO in August 2007. Prior to August 2007, the WPO provided administrative support to policy areas developing project (work) plans, administrative support to the Director General to meet mandatory corporate planning, finance and human resources requirements, and internal communications. I adapted the services and the skills of the WPO changed over time (further details are provided in the description of the later phases.) At this point, I attempted to upskill the staff in the WPO and modify organisational practices, which included eliminating inappropriate organisational practices, such as very detailed project reporting which did not suit the needs of the senior team.

The Director General Workforce had a personal interest in leadership policy and began to develop it herself. Before the Leadership Projects were formally established, she brought two project management resources, with no policy or Civil Service experience, into the Workforce Directorate. One resource was contracted from a boutique consultancy firm and one seconded from the NHS. These resources worked for a period of time with a Deputy Director attempting to develop structure and establish work plans. The Deputy Director had some policy analysis, but no significant policy delivery, project or management experience. He was encouraged to take up another job as a result and did so. After this person left, it was decided that the two project resources would work directly with the Director General Workforce. They drafted project plans to support the development of leadership policy.

4.4.1.2 Phase 1 (Jan 2008 to Jun 2008)

Phase 1 was about establishing the Leadership Division and the leadership policy commitments. At the beginning of 2008, a Director was recruited to lead the

Leadership Projects. He immediately recruited a project manager, who was a secondee from the NHS with project management experience and was familiar with operating a programme office. In fact, the project manager started working before the Director took up his new post. When the Director arrived, the new team members worked with the Director to form a new Leadership Division within the Workforce Directorate.

This was a very high stress period for the team as it was attempting to build itself while delivering on the policy work. Further there was very high involvement from the senior politician sponsoring the policy, Lord Darzi – the Permanent Secretary of the NHS – and also from the Director General Workforce. Lord Darzi had particular expectations and was working to short timelines. After two months, the project's original two project management resources departed in frustration, leaving behind detailed project plans for team members who were recruited. While the team attempted to keep up with the policy work, they were faced with the serious challenge of simply *"getting bums on seats,"* (Interviewee - WD/LP 2, Interviewee - WD/LP 8.) In spite of resource shortages, the "High Quality Care for All" report was published in June 2008 and it included NSR policy recommendations, including those for Leadership.

After January 2008, as head of the WPO, I realised that I could not upskill the existing staff sufficiently for what was required. I moved all of them out into roles in other parts of the DoH, redefined the purpose and services offered by the WPO and recruited new staff, including some who came in on short-term contracts. The new WPO staff stopped providing administrative support to policy teams and began to support each director in developing project management capability appropriate to the policy work for which they were accountable. I set up an *account management* structure to support directors whereby an individual in the programme office worked directly to a designated director and became a virtual member of their management team. In parallel, I redesigned the approach to business management in the directorate, structured working and clarifying accountabilities. I worked with the Directorate Senior Team (i.e. the Director General and Directors) to implement the new approach (see Appendix 11: Workforce Management Framework - Outline.) They were under significant pressure as well and welcomed the support.

4.4.1.3 Phase 2 (Jun 2008 to Jan 2009)

Phase 2 was about planning to implement the leadership policy commitments of the "High Quality Care for All" policy paper. The team began to grow and additional resources were brought in. One key leadership policy recommendation was the establishment of a National Leadership Council (NLC) and most of the other policy commitments centred on the NLC. A significant consultation process was undertaken in August and September 2008. The results of the consultation were reviewed and drafted into a design for the NLC that identified the terms of reference for the NLC and five delivery workstreams (see Appendix 17: Project 3 - Workforce Directorate/Leadership Projects).

During the autumn of 2008, an extensive national and international search for members of the council was initiated. Lord Darzi officially signed off the terms of reference in December 2008 as council members were being selected. The first meeting of the NLC was held at the beginning of 2009 and shortly thereafter, the document defining the NLC and formally establishing it was released by the DoH (Department of Health, 2009a). Preliminary work had already begun on the talent and leadership planning. The Inspiring Leaders – Leadership Quality Report incorporated this content and was released in January 2009 (Department of Health, 2009b).

During this period, the WPO began to formally define new ways of working for members of the Workforce Directorate including the Leadership Division. These organisational practices were deemed more suited to the management of a complex organisation responsible for large projects. The new ways of working focused on the accountability of directors and deputy directors with the use of a formal (see Appendix 11: Workforce Management Framework - Outline for an outline of the contents.) To support the evolving performance and management information system, the corporate staff satisfaction system was redesigned so that results were visible by Division, i.e. by Director (see Table 69 and Figure 37) and the WPO worked with the directors to create formally defined business improvement plans owned by the Deputy Directors. Prior to this, Deputy Directors did not have formal well-articulated management accountabilities in the Directorate and focused their energy on policy-making. From the results, it was made evident that the level of staff satisfaction in the Leadership division was one of the lowest in the entire DoH. Several of the Civil Servants I recruited during the previous phase struggled to deliver the required work in a professionally managed and fast-paced environment. I moved them out of the WPO to other parts of the DoH.

4.4.1.4 Phase 3 (Jan 2009 to Dec 2009)

The third phase was about fully establishing the NLC governance and operational processes. Programme leads for each of the five workstreams were appointed and allocated a nominal budget for staff to support them. During 2009, each of the five leaders from the NHS recruited their own teams and put together their plans for how they were going to deliver on the commitments of their respective areas: Trust Board development, clinical leadership, inclusion, top leaders, and emerging leaders. Each programme lead went through a challenging process with the NLC to get their plans signed off, after which money was allocated from the Department through to the NHS (either Strategic Health Authorities or Primary Care Trusts.)

By April 2009, the WPO had matured and the services offered were stable, and the business plan and resource allocations were approved for the 2009/10 financial year. After a period of mentoring and working with the Directors, the work of the WPO was split into two and delegated to two junior reports. The Head of the WPO then left.

In July 2009, Lord Darzi relinquished his post as Parliamentary Under-Secretary in the DoH. He effectively stepped away from sponsoring the NSRIP at this point. According to a team member, *“there was certainly a theme growing that this did not quite have the significance that it had in the heyday of the project when you had a Minister driving it very significantly”* (Interviewee - WD/LP 6). Signalling the decline of leadership policy, it was not featured as a policy area in the NHS Operating Framework for 2010-11 published in December 2009, although leadership is alluded to as one of the principles for greater local ownership and decision-making. Specifically it states, *“We must all continue to mobilise and empower clinicians across the system. Clinicians must be on board when decisions are taken”* (Department of Health, 2009c).

In addition to the WPO, a Leadership Programme Office (LPO) emerged in September 2009. The LPO worked with the WPO in a hub-and-spoke configuration. The WPO served the Leadership Team. The WPO provided oversight of the LPO (and other hub programme offices) and supported the directorate Senior Management Team. A team member put the LPO in place with experience working on other programmes. According to several team members, this person effectively became the *de facto* deputy director. According to one team member (Interviewee - WD/LP 2), *“we started to get things settled down and that lasted for probably the longest period it ever lasted in our team, probably until our new Director came along and we had a good five months or so of stability really in the team.”* The services provided by the LPO were designed to meet the needs of the NLC and its five workstreams.

The LPO primarily provided communications and administrative support. The four staff members overseeing the Appointments Commission (a non-departmental public body) were brought in under the Director although this team ran independently of the NSR leadership project work. In addition, several policy staff members were brought in to handle parliamentary correspondence and matters of State. This created a team of 26 people. Although the workstreams came together at different points in time, by the end of 2009, all of the five NLC workstreams were set up, structured and had their teams in place.

4.4.1.5 Phase 4 (Jan 2010 to Dec 2010)

The fourth phase was about maturing the operation of the NLC. The secondment contract for the Director Leadership came to an end, and a new Director was recruited and subsequently arrived in February 2010. Upon his arrival, the “Health NHS Boards” report was published along with the annual report for the National Leadership Council (Department of Health, 2010a; 2010b). A general election was scheduled for May 2010 and purdah came into effect, during which government ministers and civil servants refrained from taking decisions or making policy announcements. The general election resulted in a new government and political party being elected to run the government. After waiting for several weeks for the

new government to form and ministers to be appointed, the leadership work continued to be in a hiatus, awaiting direction from the new government.

Once ministers were appointed, departmental budgets were frozen and there was an edict to halt the recruitment of professional services including communications, project management, and strategy consultants, which seriously affected the leadership work. This effectively disabled the Leadership Division's work as 15 of the 22 team-members (excluding the Appointments Commission) were communications, project management, and strategy consultants (or secondees) funded with short-term contracts ending in June or July. The Director suggested that a proposal be set to the Minister asking for support and dispensation from the constraints. The Director General and others advised against this for fear that this would highlight the expenditures associated with the Leadership Projects and put it entirely at risk. The surviving team, primarily civil servants, strived to adapt the NLC membership to support the new government's agenda. In particular, they worked to bring in commissioning leaders and to strengthened General Practitioner representation from the professional bodies.

At the end of this phase, one of the team members (Interviewee - WD/LP 6) reflected that, *"back in 2008 and 2009, we were a new, bright, shiny thing. A lot of people came to us for advice around leadership. We would have everybody knocking on our door or we would be going to them having heard that they were doing some work around leadership. They all wanted to come to us and hear our views and thoughts and give us some steers. Now we just don't hear from anybody at all."*

By December 2010, the second director left both the Directorate and the Department to return to the private sector. Jan Sobieraj was seconded from the NHS to the Director Leadership post. He began working early 2011, which was after the period of this study.

4.4.1.6 Timeline Summary

During the NSRIP study period, July 2007 to December 2010, the scope of the work of the Directorate grew, along with the budget and complement of staff. A summary of the Workforce Directorate resources and headcount is provided in Table 67.

Table 67: Workforce Directorate – Resource and Headcount Summary

Workforce Directorate	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4
Staffing	Jul07-Jan08	Jan08-Jun08	Jun08-Jan09	Jan09-Dec09	Jan10-Dec10
Director General	C. Chapman	C. Chapman	C. Chapman	C. Chapman	C. Chapman
Head of Workforce Programme Office (note 1)	A. Schuster	A. Schuster	A. Schuster	A. Schuster / W. Dale	W. Dale
Workforce Programme Office Staff	4	8	14	10	8
Administration Budget (£m) (note 2)	8.7 (07-08)	8.7 (07-08) 11.0 (08-09)	11.0 (08-09)	11.0 (09-10) 10.0 (10-11)	10.0 (10-11)
Permanent (non PPM)	87	112	150	150	135
Permanent (PPM)	1	2	2	2	1
Contractors	50	75	100	100	40
Fixed Term	0	0	6	6	0
Temps	0	3	5	1	1
Secondes	0	1	3	3	3
Total Headcount	138	193	266	262	180

Note 1: The head of the programme office was a Deputy Director post until April 2009, Grade 6 after this date.

Note 2: The administrative budget is used primarily for civil servant posts and staff costs. It excludes funding for the majority of contractors, which is instead found in the programme budget.

Clare Chapman was the Director General throughout the study period with me and then Wesley Dale heading the Workforce Programme Office (WPO); the size and budget of the WPO grew during the period, proportionate to the increase in its workload resulting from Leadership Projects, other NSRIP related projects, and non-NSR demands. At the end of the period, post-May 2010 election, resource constraints heightened and the use of non-permanent staff was no longer supported. There was a continued reliance on contractors throughout this period. Contractors were primarily programme, project and communication specialists and management consultants assisting with policy development and office administrators.

The Workforce Directorate PMO services were configured according to a hub-and-spoke model, whereby there was a Directorate PMO (hub) and each division had its own PMO (spoke) to support their local projects. A summary of the WPO services is provided in Table 68 and a summary of Leadership Division PMO (LPO) services is provided in Table 71. During phase 0, the WPO was small and only provided basic business planning and financial management. The WPO services were limited, focusing on project plan administration for policy teams and directorate administration. When I arrived, in the latter part of 2007, I drastically broadened the mandate of the WPO and expanded the set of PMO services. Project assurance, external communications and learning systems services were the last and most difficult to develop.

Table 68: Workforce Directorate – PMO Services

Workforce Directorate	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4
PMO Services	Jul07-Jan08	Jan08-Jun08	Jun08-Jan09	Jan09-Dec09	Jan10-Dec10
Project Planning	✓	✓			
Business Planning	✓	✓	✓	✓	✓
Financial Management	✓	✓	✓	✓	✓
Internal Communications		✓	✓	✓	✓
Business Improvement		✓	✓	✓	✓
Resource Management		✓	✓	✓	✓
Performance Management		✓	✓	✓	✓
Directorate Governance		✓	✓	✓	✓
Project Assurance			✓	✓	✓
External Communications			✓	✓	✓
Learning Systems			✓	✓	✓

Interviewees mentioned issues with staff satisfaction. Hence, the results of the DoH staff surveys were collected. Between September 2007 and June 2009, results were provided for the Department, the Workforce Directorate, while results were provided specifically for the Leadership Division during the latter part of this period (see Figure 37).



Figure 37: Workforce Directorate/Leadership Projects - Staff Satisfaction

Prior to March 2008, it can be seen that Workforce Directorate's staff satisfaction results are between 11 and 18 percentage points below the Department average. Between March 2008 and March 2009 (phases 1 and 2), Workforce Directorate's staff satisfaction results were between 2% and 6% above the DoH average, one of the highest in the DoH. This increase corresponds with changes to the WPO, which began in March 2008. The WPO grew in size and began to offer a greater range of services. In March 2009 (phase 3), the WPO reduced in staff size and the leadership shifted to junior staff members. After March 2009, the Workforce Directorate's staff satisfaction results begin to drop below the Department average. Where data existed, the Leadership Division's staff satisfaction results were 10% to 16% below the DoH average and one of the lowest in the DoH.

Table 69: Employee Engagement Index – Workforce Results

Organisation	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4
	Jul07-Jan08	Jan08-Jun08	Jun08-Jan09	Jan09-Dec09	Jan10-Dec10
Civil Service	-	-	-	58.0% (Oct09)	56% (Oct10)
DoH	-	-	-	60.0% (Oct09)	55% (Oct10)
Workforce Directorate	-	-	-	43.5% (Oct09)	n/a
Leadership Division	-	-	-	59.0% (Oct09)	n/a

The nature of the Civil Service staff satisfaction survey changed in the autumn of 2009, to the Employee Engagement Index, as part of a Civil Service-wide system that allowed for inter-departmental comparison. The index is built upon five questions that consider how employees speak of their organisation, are emotionally engaged with it, and are motivated by it. The Employee Engagement Index considers five questions and weights responses, whereby strongly agree equals 100%, agree 75%, neither agree/disagree 50%, disagree 25% and strongly disagree 0%.

Table 70: Leadership Projects – Resource and Headcount Summary

Leadership Division	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4
Resources	Jul07- Jan08	Jan08-Jun08	Jun08-Jan09	Jan09-Dec09	Jan10-Dec10
Director	n/a	J. O'Connell	J. O'Connell	R. Baglin	R. Baglin (note 1)
Head of PMO	n/a	n/a	n/a	S. Davis	S. Davis
Deputy Director	n/a	n/a	n/a	n/a	n/a
Non-Staff Budget (estimated)	£2.0m (07-08)	£2.0m (07-08)	£7.6m (08-09)	£7.6m (08-09) £50.0 (09-10) (note 2)	£50.0 (09-10) (note 3) £5.0m (10-11)
Actual Non-Staff Spend (estimated)	£0.4m (07-08)	£0.4m (07-08)	£2.7m (08-09)	£2.7m (08-09) £5.5m (09-10)	£5.5m (09-10) Unknown (10-11)
Permanent (non-PPM)	0	0	2	6	6
Permanent (PPM)	0	0	0	0	0
Fixed Term	0	0	0	6	0
Contractor	1	1	5	10	0
Temp	0	0	2	2	0
Seconded	1	3	3	2	0
Total Headcount	2	4	12	26	6

Note 1: Ross Baglin left in December 2010. Jan Sobieraj joined January 2011 as the Director.

Note 2: The 2009/10 budget was £50m when Ross Baglin arrived but was reduced in-year.

Note 3: The budget reduced to £17m and then to £7m leading up to the May 2010 election.

The overall results are different and cannot be directly compared with the previous staff satisfaction survey. However, it can be seen in Table 69 that the results for the Leadership Division were raised to the level of the DoH and above that of the Workforce Directorate by the end of Phase 3, suggesting attention was paid to the needs of staff members.

A summary of the Leadership Division staffing is provided Table 70. The Leadership Division did not exist prior to January 2008 when it was created in response to the NSR. Jim O'Connell was seconded from the NHS as the Director of the Division. He inherited two contract resources that were assisting the Director

General with leadership policy work. On formation, the Division was allocated a budget which it did not fully spend in-year. The pattern of the Division under-spending its allocated budget continued throughout the life of the Leadership Projects. As such, underfunding was not a particular concern.

The size of the team continued to grow over time until the May 2010 election after which the leadership budget of £50m was cut to £34m and then to £17m and constraints were put on funding non-civil servant posts. From then on, two to three staff members left per month. By the autumn, the team was eventually down to six staff members who were civil servants. Two individuals displaced by organisational changes elsewhere in the DoH joined the team.

Table 71: Leadership Projects – PMO Services

Leadership Division	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4
PMO Services	Jul07- Jan08	Jan08-Jun08	Jun08-Jan09	Jan09-Dec09	Jan10-Dec10
Project Planning	✓	✓	✓	✓	✓
Business Planning				✓	✓
Financial Management					✓
Internal Communications				✓	✓
Business Improvement				✓	✓
Resource Management				✓	✓
Performance Management				✓	✓
Project Assurance					✓
External Communications				✓	✓
Learning Systems					✓

A summary of the LPO services is provided in Table 71. The PMO was not fully functional until phase 3 of the project. Prior to this, individuals in the team did the best they could without a PMO. The range of services offered broadened with the formation of LPO in 2009 and continued into 2010. As with the WPO, project assurance and learning systems were two of the last and most difficult services to develop. Financial management suffered from a lack of attention and skill. External communication was not delayed, as it was in the WPO, as external communication and consultation was the focus of the leadership work in Phase 3.

This section established a context and timeline for the WD/LP Organisational Unit as part of the NSRIP. Prior to the NSRIP, the structure and resources of the Workforce Directorate were designed more around traditional divisions and less around programmes and projects. There was a significant shift towards PBO during the NSRIP. At the beginning of the NSR Leadership Programme, the Leadership Division was newly established. As such, it was starting from a level of non-existent PBM capability and the Division had to ramp up its capability dramatically. Funding was not a limitation. However, awareness was lacking of the need to develop PBM capability. Once this was recognised, the organisational unit developed capability quickly, primarily inheriting it from the WPO where it existed. In parallel, staff satisfaction rates increased dramatically as staff members were less frustrated and able to do their jobs.

The following five sections identify key results from primary sources for each of the five propositions regarding the development of PBO routines as a means of developing the capability to successfully deliver policy-projects. The results are captured according to the five propositions for this study.

4.4.2 *Aligning Organisational Practices of the Policy and PPM Specialists*

The first proposition for this study is that PBM capability in a policy-making context is developed over time through PBO routines that align the organisational practices of the policy-making specialists with those of the PPM specialists. This proposition recognises the potential for tensions between policy and PPM specialists, and considers how the relationship is developed over time. Five routines affected how organisational practices of the policy-making specialists are aligned with those of the PPM specialists when using PBM: *Integrating Specialist Resources*, *Understanding Accountability and Scrutiny in the Civil Service*, *Legitimising the PPM Profession*, *Tempering Project Planning for Policy-making*, and *Mediating between Policy and PPM Specialists*.

4.4.2.1 *Integrating Specialist Resources*

Integrating Specialist Resources was one routine that affected how the organisational practices of the policy-making specialists were aligned to those of the PPM specialists during PBM. At the onset of the NSRIP in 2007, the Director General faced a massive challenge to develop the new Leadership policy. She was keen to offload some of the management work she was assuming to competent and experienced individuals and she sought strong PPM skills. However, there were no readily available project management specialist resources in her directorate.

“The biggest thing for me, I felt that there was a real absence of project or programme management skills or understanding in the department.”

Interviewee - WD/LP 6

As with project delivery skills, policy-making skills suited to the Leadership agenda were not available either. Consultants were also brought into these roles in support of senior decision-makers.

“I have had the sense since I have been within this team that we need some very special skills on leadership and we have to go elsewhere for them. I don’t think there ever has been much belief that policy makers/civil servants have much to offer in this context.”

Interviewee - WD/LP 1

From the perspective of interviewees, using consultants for a short-period of time to help design and set up structures for complex work was well supported.

“When I arrived, the consultants were here already. In my view, they were the bit of the architecture that was supplying the tools, but on the basis that was as a transitional phase. As we began to bring in staff, there became increasingly less reliance on the consultants and their tools.”

Interviewee - WD/LP 4

However, there was no clear evidence that deep thought was put into the appropriate use of consultancy. With limited flexibility in resourcing, the use of consultancy was more about getting sufficient resources to deliver the task at hand and less about building capability for the longer term.

“I am not sure the acquisition and balancing of skills was ever really properly thought through because I think the approach was ‘get bums on seats’. I think this was the approach because it was quite desperate times really and some silly hours were being worked. A lot of work was being put onto us – lots of extra work – lots and lots and lots. It was a significant amount. I think we were just desperate for bodies to do some of that work.”

Interviewee - WD/LP 2

The overall NSRIP relied upon PPM specialist consultants, not just the Workforce Directorate/Leadership Projects.

“There are PPM contractors in different areas that are doing a particular piece of work; I would say there are about 30 at the most [across the NSRIP]. On the Civil Service side, I would say it is minimal, a couple, perhaps two or three.”

Interviewee - CoE 2

As can be seen by the Workforce Director’s staffing profile in Table 67 the Workforce Directorate relies heavily on consultants for all of its work, not just for the NSRIP. The dependency on consultants is not unique to the Workforce Directorate or even the DoH.

“We did an informal survey, a ring around every government department. Nearly every government department has the skills and capability issues of programme and project management on their corporate risk register.”

Interviewee - CoE 3

The routine *Integrating Specialist Resources* affects the development of PBM capability; the Workforce Directorate/Leadership Projects team was reliant on PPM specialist consultancy, as was the overall NSRIP, as there was a dearth of available internal specialists to call upon. The prolonged use of PPM specialists acted to disrupt the organisational practices of the policy-making specialists. There was no clear evidence that a strategy for balancing the use of PPM specialist consultancy with the use of Civil Servants existed.

4.4.2.2 Understanding Accountability and Scrutiny in the Civil Service

Another routine affecting how the organisational practices of the policy-making specialists are aligned with those of the PPM specialists is *Understanding Accountability and Scrutiny in the Civil Service*. When considering PBM, people who are brought in from outside the Civil Service have a relatively short timeframe in which to learn the business. The approach to accountability and scrutiny is generally unfamiliar. The study identified several particular considerations: working with the Ministers, coping with the autonomous nature of parts of the Civil Service (and the NHS) which come together to collaborate on policy initiatives, the high level of financial scrutiny, and the effects that the ethos of the Civil Service has on organisational practices.

To be effective, incoming consultants and seconded staff had to learn some of the basic technical processes of the Civil Service, such as how to produce a ministerial submission.

"I had never done policy work before, so I don't think that I was even clear in the early weeks that what we needed to do was to produce a submission. I would hear people talking about submissions. I had Civil Service people saying that it should be two sides of an A4, though it had to be something bold and dramatic. I simply didn't know."

Interviewee - WD/LP 6

Incoming staff had to develop an appreciation for the Civil Service ethos of serving Minister and Parliament. The serving ethos of the Civil Service leads civil servants to be objective when providing advice, taking political steers from Ministers in a way that might not be so readily found in the private sector, and all the while ensuring a high level of public accountability.

"I can see that civil servants have a very strong belief in public service and putting up with the changing times in a way that the private sector would not. Civil servants seem to be like anemones that move with the [political] current, but still hold on to the [accountability] rock. I guess this is the public sector ethos. It doesn't seem to bother them as much."

Interviewee - WD/LP 7

Incoming consultants and staff also had to learn about the unique nature of the DoH as a department. One noted characteristic was that the directorates operate relatively independently of one another.

"Each directorate is almost like its own organisation, with its own accountability, its own budget, its own power and it really is up to the personalities who lead those directorates to make things work in terms of working together and understanding and bringing teams together. There is no incentive within the structure of the department to [work across directorates]. I think it is a real issue."

Interviewee - WD/LP 3

Incoming consultants and staff also had to learn about the unique nature of the NHS. The NHS is a collection of semi-autonomous organisational units, run by

independently minded leaders. It is difficult to agree a common direction and establish sanctions for non-compliance.

“With such a small team, we lost the ability to co-ordinate across the NHS organisation’s agenda. We would get surprises, which we didn’t particularly like. It was impossible to manage the agenda though.”

Interviewee - WD/LP 6

Incoming consultants and staff seconded to the leadership projects were unaware of the significant effort expended to create financial transparency and the high degree of financial scrutiny that exists in the public sector.

“There was a disproportionate amount of time spent on justifying and reporting. For example, we had to submit business plans to get £1000 for some basic things. It was madness. The perceived constraints are actually counter-productive. You wouldn’t worry about that so much in the private sector. Instead, you worry about getting the right people into the right jobs and getting them the money they need to do their jobs. The amount of effort spent on this is disproportionate to the effect or impact, but then again it is very uncomfortable to get a headline in the Daily Telegraph.”

Interviewee - WD/LP 7

While the apparent bureaucracy of accountability and scrutiny in the Civil Service can be overwhelming to the novice, the experienced civil servants were not overwhelmed by it. They knew how to work with and around it as appropriate.

“The Leadership Team struggled with accountability and scrutiny. I am not sure that the Civil Service aspect of accountability became a problem for the civil servants that were in the Leadership Team as they were very experienced. They understood how to apply the DoH ways of working and are very committed to them, whilst they respected the rules and always worked within the rules. They are always keen to also make sure that they can do what the Director General needs. They are quite creative in that way.”

Interviewee - WD/LP 8

It is evident that the routine *Understanding Accountability and Scrutiny in the Civil Service* is relevant to ensuring that the organisational practices of the policy-making specialists are aligned to those of the PPM specialists during PBM. The results highlight that staff members inexperienced in the Civil Service were unprepared for its conglomerate nature with parts being autonomous and coming together collaboratively around policy initiatives, the high level of (financial) scrutiny, the time to reach decisions in a distributed system, and the established process for working with Ministers and Parliament. Consistently, those that entered from other organisations found it to be a foreign way to manage, and were caught up in the complexity of the Civil Service’s practices. Over time, individual understanding developed. However, those that only stayed for a short period of time left with their perceptions of the peculiarities of the Civil Service unaltered. It

appears that the routine *Understanding Accountability and Scrutiny in the Civil Service* was necessary to align the organisational practices of the policy-making specialists with those of the PPM specialists, but it was not highly developed in this case.

4.4.2.3 Tempering Project Planning for Policy-making

A third routine affecting how the policy profession was supported during PBM is *Tempering Project Planning for Policy-making*. It appears that when some policy specialists think of projects, they do not necessarily consider PBM; instead, they think of project management technical practices, in particular project planning. Although it can be argued that this is a very limited perspective of projects, it appears to be a reality that those developing PBM capability in the Civil Service must consider.

In the Workforce Directorate, a narrow conception of projects is likely to have resulted from the historically regimented focus on particular project practices such as planning and reporting. I was privy to very large piles of project reports, up to 150 pages, that went to the Director General prior to 2007. I was informed that she never read these reports and neither did the Directors. It was not clear if anyone actually did.

A commercial project planning software called Enterprise Project Management (EPM) was introduced across the DoH, including the Workforce Directorate starting in late 2007. It was designed to facilitate the sharing of basic project information (e.g. milestones) and was used by designated planners across the directorate. When introducing the EPM tool, it was simplified so that people with minimal project management experience could use it.

A light touch to the project plan was consistent with that adopted by people working on the NSRIP. At the start of the NSRIP, neither the overall programme nor the Leadership Projects had an in-depth project plan. Instead, a very light touch approach was used.

“In terms of an overarching programme plan for NSR, I would say we had something quite loose in that people said ‘these are the things we are going to do’, but it wasn’t managed as a programme with an overarching programme plan in the way that you I would expect to see.”

Interviewee - CoE 3

The project experts brought into the Leadership Projects were accustomed to working with detailed project plans in order to gain control. They felt the work was undisciplined. They ignored the pre-existing enterprise project management software available to them, and developed rigorous project plans using their own individual approaches.

“At the beginning, there wasn’t control, there wasn’t structure, and there weren’t all the controls in place to get the programme of work underway, but that was not reflecting on any individual. It is just the fact that it had just started over the past couple of months and I think the whole NSR space was particularly hectic and busy.”

Interviewee - WD/LP 2

However, the zeal of the project managers for detailed plans appeared to be greater than the perceived need or appetite of the policy-makers.

“There was an awful lot of written planning. By that, I mean you had documents that set out milestones, what were supposed to happen when, who was supposed to be doing what. That sort of planning has traditionally always gone on in my experience. However, we didn’t write it down as clearly nor did we try and work to the documents in quite the same way as we did during that period. My view was some of this was desperately over-managed. We spent more time actually writing what we were going to do than doing it.”

Interviewee - WD/LP 1

Eventually, the project planning processes were tempered to what the Civil Servants were more comfortable with.

“The [planning] tools that we originally had from the external consultants were modified to make them simpler. Those tools were subsequently modified for ease of use by the team.”

Interviewee - WD/LP 4

However, tempering planning to the civil servants made it less rigorous than was expected by those used to working in a strong PBM environment.

“It just wasn’t tight enough albeit that we are using the flexibility, but it could have been tighter.”

Interviewee - WD/LP 6

In order for project planning tools to support policy-makers, it appears that they were simplified over time. The Workforce Directorate and Leadership Project approaches to project planning were tempered to focus primarily on key milestones. Although the resulting planning approach was *PPM light* and would not suit businesses running complex projects, it appeared to be acceptable to the policy specialists and the organisational context. The evidence suggests that the organisation’s capability to implement the policy-project improved over time as project planning was adapted to the organisational practices of the policy-making specialists.

4.4.2.4 Legitimising the PPM Profession

A fourth routine affecting how the organisational practices of the policy-making specialists are aligned to those of the PPM specialists during PBM is *Legitimising the PPM Profession*. The premise for this routine appears to be that legitimacy of the PPM profession must be established so that the PPM profession can credibly participate with the policy profession. The evidence shows that over time the legitimacy of the PPM profession did increase, albeit requiring adaptations by the policy specialists.

Prior to the NSRIP, there was a low level of support for the PPM specialists in the Workforce Directorate and DoH. There is evidence that this low support for the PPM specialism was not unique to the Workforce Directorate or even the DoH.

“The PPM specialism is treated with suspicion in the DoH. I have come from areas where specialism was really a good thing. It was encouraged and to be a specialist was rewarded, to be an accident and emergency nurse was a good thing and to be a programme manager was a good thing.”

Interviewee - CoE 2

During the NSRIP, effort was made to strengthen the status of the PPM Specialism within the Workforce Directorate and, in particular, the Leadership Division.

“Between 2008 and 2010 the structure of the team evolved from what was initially policy-based working to a more project-based structure. What we did was split the programme up into five work streams [...] We changed the structure so that for each of the work streams, there was a policy and a project lead, on a similar grade and wages in terms of seniority. The team was structured round both those looking at the policy development and those looking at the project delivery. They were thinking about the work quite separately, but they worked together as a team.”

Interviewee - WD/LP 3

Elevating the status of the PPM specialists had the unintended effect of displacing the policy-maker specialists.

“There was a sense amongst some of the team members that the project planners were valued and the rest weren’t.”

Interviewee - WD/LP 1

The PPM profession did not have a strong profile in the DoH prior to the NSRIP. Within the Workforce Directorate/Leadership Projects team, there was an effort to legitimise the PPM profession by providing it with a comparable status to the policy profession and making this transparent. A potential effect of this was that in 2009, near the end of the study period, the team attracted civil servants with espoused PPM professional skills from a very small pool across in the Department. Elevating the status of the PPM professional acted to bring in specialists that complemented the policy profession, similarly to the way other specialists in finance and economics are called upon to assist with policy-making. Introducing

PPM specialists challenged the perceived role of generalist policy-makers who were unaccustomed to working with PPM specialists.

4.4.2.5 Mediating Between Policy and PPM Specialists

The last routine affecting how the organisational practices of the policy-making specialists are aligned to those of the PPM specialists during PBM is *Mediating between Policy and PPM Specialists*. These specialists, not surprisingly, have different ways of thinking and working.

At the beginning of the Leadership Projects work, PPM specialists were brought into the team due to a lack of available skills. They were faced with a Civil Service they did not fully understand.

"In the early days I think that contractors found the Civil Service quite hard work and therefore it was almost a relief to have other contractors who spoke their own language. Also, there is a kind of Civil Service 'speak' and there is an NHS 'speak'."

Interviewee - WD/LP 4

The arrival of PPM specialists disenfranchised civil servant policy specialists. They did not understand why external resources were being brought in and, yet, they were not being given the chance to do the job, or to develop skills on the job.

"What that did was create a 'them and us'. You've got people who did the project planning and then everybody else just muddled through as best they could."

Interviewee - WD/LP 1

The lack of skills and pace at which the policy specialists worked, frustrated the PPM specialists. They could see the policy specialists struggling, unable to keep up with the style of working and the expectations that people needed to hit the ground running, able to deliver immediately. The PPM specialists in the team reacted by working harder to compensate.

"We just worked harder and longer hours to deal with it. Instead of coming in at seven o'clock in the morning you come in at six o'clock, instead of leaving at ten o'clock at night you left at eleven o'clock at night. That was how it was managed."

Interviewee - WD/LP 1

People in the Leadership Division perceived PPM and policy skills as distinct. Because of this separation, there was a very strong expectation that the Director, as SRO, needed to mediate between policy development and implementation as well as policy and PPM specialist skills.

"I think policy development is still treated really quite separately to the delivery and I don't think a great deal of thought has been put into integrating the two. The two exist almost separately, but over time they can evolve together. It depends on the SRO [Senior Responsible Owner] involved in the programme or the projects insisting that teams are built with a mix of skills that support both policy delivery and development."

Interviewee - WD/LP 3

Staff members expressed a strong dissatisfaction with the Director. The expectations of staff were not met and very low staff survey results signalled that there were issues. Subsequent work highlighted issues, which centred on perceptions of leadership style.

"During the time period that the first director was in place, we witnessed an absolute rock bottom staff survey where people felt totally demoralised and felt out of control, felt that they weren't able to challenge etc. A workshop was run for the team after they got their really low staff survey results. A lot of the problems were down to the leadership style of the leader."

Interviewee - WD/LP 1

There were efforts to support the Director, to address issues. Some were considered while others were never resolved.

"I don't think they did have the tools they needed, but that is not to say that they couldn't have developed them. I think there were enough people around them and supporting them that did have both the tools and the relationship to be able to do that, but they didn't take advantage of that. I think because the Director at the time didn't feel that it was worth the challenge."

Interviewee - WD/LP 1

However, not all was problematic, and there were some signs that policy and PPM specialists worked well together.

"I think there were areas where it worked very, very well, but again I do think that is down to the skills and capability of the people that are the PPM experts, how they behave as much as their expertise."

Interviewee - WD/LP 8

Mediating between Policy and PPM Specialists was identified as a routine that affects how the organisational practices of the policy-making specialists are aligned with those of the PPM specialists. PBM in the Leadership Division changed the relationship between Policy and PPM specialists. In the case of leadership, there were some apparent deficiencies in adapting the team to these realities, including balancing team skills and paying attention to the different needs and expectations of permanent and contracted staff.

4.4.3 Effectively Negotiating Value and Purpose

The second proposition for this study is that PBM capability in a policy-making context is developed over time through routines that enable value and purpose to be effectively negotiated across temporal and organisational boundaries. The results identify three routines that affected the negotiation of value and purpose: *Building a Compelling Narrative*, *Developing Benefit Realisation Management* and *Establishing and Maintaining a Mandate*.

4.4.3.1 Building a Compelling Narrative

The first routine identified, that affects how value and purpose are effectively negotiated over time, is *Building a Compelling Narrative*. The development of narrative (see Appendix 21: Project 3 - Leadership Projects - An Example of a Narrative for an example of a fully developed narrative) is fundamental to the way the DoH works. Narratives are a way of describing complex ideas and convincing others to act in particular ways. For the leadership projects, the narratives were developed through various forms of stakeholder engagement, which include facilitated discussions, workshops, and one-to-one meetings with decision-makers.

The prevalence and predisposition to narratives, and their limitations, affect PBM. This becomes evident during business planning. In the DoH, the corporate business plan is conceived as a departmental-level summary of directorate business plans. The directorate plans are frequently written as a list of milestones that reflect policy commitments. It is against the narratives and their associated commitments that headcount and budgets are allocated.

“The business plans were all quite soft and fluffy. There wasn’t very much hard-edged stuff about. You couldn’t feel business planning, so you didn’t have the conversations that you and I are used to having. It was all narrative and words and there was no substance to it.”

Interviewee - CoE 3

The policy development process in the DoH takes stakeholder input (and other evidence) to produce narratives and policy commitments. The policy delivery process takes the policy commitments and implements them. The narrative is central to the working style of the department and suits the needs of policy-making. The Leadership Division was new and had to develop an entirely new set of narratives for this area of policy, unlike long-standing policy areas. This gave it currency in the policy community and helped to establish priorities and direction. However, given how the narratives were created, there were some concerns that the narratives were not entirely reflective and, by inference, potentially not implementable.

4.4.3.2 Developing Benefit Management Realisation

The second routine identified, that affects how value and purpose are effectively negotiated over time, is *Developing Benefit Management Realisation*. Benefits management realisation is a tool that helps to link the ‘tail’ (i.e. implementation) to

the ‘head’ (i.e. development) in the policy-making processes. This linkage was considered to be an ongoing challenge to successful policy-making.

“I still think what we haven’t got is the benefits realisation at the end of policy implementation. I think the PPM methodology helps you to get to the end-point where you can then reflect back on what the benefits have been. If I think about when I have been in policy jobs you have seen the head, you develop the policy, you work with stakeholders and then you implement it, but very rarely do you go back and say, “What was the real benefit of that, how can we learn from that for next time we need to do it?” What we have been able to do with some of the programmes that we have managed effectively is work out if things went wrong, why they went wrong.”

Interviewee - WD/LP 8

Benefit realisation management is not a reactive routine; instead it is forward looking. It requires experienced practitioners to ensure it is developed and employed over time. The DoH struggled with benefits management realisation, in spite of making active attempts to introduce and improve upon it.

“There is a lot of thinking going on around benefits. It is still an issue generally for public sector projects, to understand benefits and what they are trying to deliver and what the outcome of the benefit will be, how you measure it and how you articulate it. There was some work done to try and understand it: a few workshops to bring different project managers together, different policy people to work with analysts to work through and understand the benefits and articulate benefits. However, this is an area that the Department struggles with for sure.”

Interviewee - WD/LP 3

The DoH required *Impact Assessments* to be conducted at the front end of the policy-making process. Impact assessments consider particular implications of policy commitments. They have an affinity with benefit realisation. According to interviewee WD/LP 1, *“They shouldn’t be doing anything that might impact negatively on patients, and ideally should give a benefit. At the very least, it should do no harm, worsen services, inadvertently discriminate or impact negatively on people with intended effects.”* They should also have positive impacts – however these are defined.

Neither impact assessments nor benefit management realisation were highly developed for the Leadership Projects. It was claimed that it was difficult to do at the front-end. Instead it would be developed along the way, although this did not seem to happen.

"It's much more difficult to come up with patient-related, service-related metrics around workforce policies. I think that we didn't try to do that at all in leadership, other than to make generic statements along the lines of 'leadership is good because it helps keep patients safe'. I think the argument that gave special clearance and allowed the report to be published without those things being done, was that it is such a complex programme and it stretches across so many different services and different organisations. They argued that we need to see how it is going to affect things as we go along. We will impact assess and equality impact assess in that way. As far as I know that was never done."

Interviewee - WD/LP 8

An entire set of policy commitments was developed as part of the Leadership Projects according to the premise that leadership will lead to benefits. However, these were not clearly articulated. It was not entirely clear what the benefits were expected to be or what the approach for assuring that the benefits would be realised was. This routine was weakly developed.

4.4.3.3 Establishing and Maintaining a Mandate

The third routine identified, that affects how value and purpose are effectively negotiated over time, is *Establishing and Maintaining a Mandate*. When asked what the key aspects of good policy delivery were, one interviewee identified three key considerations: *"mandate, method for delivery, and behaviours to support delivery"* (Interviewee - WD/LP 2). This routine focuses on the first consideration: mandate.

There were two strong and consistent messages from those working in and with the Leadership Project. It is important to have a mandate and the mandate of the Leadership Projects was very unclear, particularly during the early phases.

"I think there was a lack of clarity at the outset, about trying to get the direction and vision clear beyond Lord Darzi's vision. It felt dysfunctional at times and that is because there was a lack of transparency. There was a lack of clarity until things were put in place to get things right."

Interviewee - WD/LP 4

It is not surprising that the mandate was unclear in the early stages, as Leadership was a new policy area for the DoH. More fundamentally, policy work is often about creating clarity about intentions. As this area was highly politicised, the sponsor, in this case the Director General, was active in establishing and maintaining the mandate.

"I think there was a lack of clarity between what the Minister said he wanted, what the Permanent Secretary wanted, and what the Director General of Workforce wanted."

Interviewee - WD/LP 6

"If we were to say that the Director General was the policy person on all of this, then yes there was conflict. She changed her mind. She flexed it. She adapted it. She left it open."

Interviewee - WD/LP 8

Disciplined project management processes could not compensate for the ill-defined mandate. This led to constantly changing expectations on content and timelines.

"One of the things that I found perplexing was that even if you did take a good project management approach, and I had no doubt in my mind that the team did, it was never enough. What would happen is that your timelines would slip. The work kept shifting and we changed the delivery dates a gazillion times."

Interviewee - WD/LP 4

Along the way, clarity of the mandate improved sufficiently so the Minister appeared to get what he needed.

"Despite all of the turbulence, Ministers were happy with the direction. So there was no concern from the top, which is where I acknowledge the DG's role because she should have been messaging up the right messages and the right progress."

Interviewee - WD/LP 4

The clarity in the mandate that was achieved as the NSRIP progressed was lost after the May 2010 election.

"The Director General did a good job of mediating, but the budget cuts put this at risk and left the work in a different place. Project management 101 says you need to have clear leadership and a clear mandate. Neither of these existed after the election."

Interviewee - WD/LP 7

Establishing and maintaining a mandate is an important PBO routine, which appeared to have been developed and was fairly strong. Although the mandate was unclear in the early stages, it was strengthened over time. Given the size and complexity of the Leadership Projects, the Director General was instrumental in establishing and maintaining the mandate of the Leadership Projects. It was not a smooth process. The Leadership Projects team went through turbulent times and struggled throughout, with only a very short reprieve just prior to the May 2010 election.

4.4.4 Flexible Use of Resources

The third proposition for this study is that PBM capability in a policy-making context is developed over time through routines that enable the flexible use of resources. The results of the WD/LP Organisational Unit identify three routines affecting the flexible use of resources: *Integrating Business Planning across*

Organisational Units, Developing Robust PMO Services, and Developing a Culture of Continuous Improvement.

4.4.4.1 Integrating Business Planning across Organisational Units

The first routine identified, that affects the flexible use of resources, is *Integrating Business Planning across Organisational Units*. Prior to the start of the programme, neither the DoH nor the Workforce Directorate had fully integrated business planning. Instead, resources were allocated from the centre to directorates to divisions without a strong consideration for cohesiveness across organisational boundaries.

The process for deciding budgets appeared to be rather arbitrary. There was no discussion. The team was just assigned this amount of money somehow, which was a mystery to me."

Interviewee - WD/LP 7

The allocation approach circumvented discussions about priorities across directorates and divisions, and resulted in power struggles.

"So the senior team, through the planning process, were forced together and given a pot of money and said, 'go away and fight it out amongst yourselves what you want to spend it on.'"

Interviewee - CoE 3

Allocating budgets certainly did not facilitate flexible working. There was no mechanism for understanding the entire organisation's resources and how best to deploy them.

"No one person could describe what we did as a whole because it is quite disparate. We do lots of different things. We've got to have some way of expressing ourselves as a directorate. We didn't have an organisation chart either. It was like, 'who are all these people?' What do they do? And how do they contribute to our project priorities.'"

Interviewee - CoE 2

To address deficiencies, the WD PMO introduced new organisational practices across the Workforce Directorate. These practices were designed to institute more rigour into planning and required Directors and Deputy Directors across the Workforce Directorate to articulate, examine, negotiate and agree upon priorities across the Directorate before allocating resources.

"We agreed with the Directors what our key priorities were and created a list [...]. We ended up with 43 key deliverables with other little sub deliverables, so we ended up with 100 lines and showed it by division as well. Then we worked through our strategic priorities."

Interviewee - CoE 2

The new directorate planning approach also brought together both project and non-project into one integrated planning system.

“Initially we had a real difficulty with people saying, ‘This is business-as-usual work it is not programme work.’ Yes, but you must still know what you are doing otherwise how do you deliver it? I am not asking you to create a programme out of it; I am just saying it is good practice to report what you are doing and to have some control over it.”

Interviewee - CoE 2

It was challenging to develop an integrated plan, as the divisions did not historically plan together. Further, they resisted the management structures required for co-ordinated planning, as they changed how resource decisions were made and who made them. The routine was strengthened by the support of the Director General.

“There was quite a lot of resistance to structured management because the Directors just didn’t see the value of doing it. They just think you are feeding the beast.”

Interviewee - CoE2

For the Leadership projects, efforts to develop and co-ordinate planning across organisational boundaries were more challenging, as the Leadership Team was not well linked across the Directorate or the DoH.

“I think what the team hasn’t done, or been able to do particularly well, is create a culture of crossover and synergy with other work areas. Our project planning processes were very focused on our bits of what we had to deliver. We have been less strong at making links with other areas both within the directorate and without.”

Interviewee - WD/LP 1

As the Workforce Directorate’s planning processes strengthened, there was more discussion about priorities and interdependencies, not just the allocation of resources to work. This was a new way of working and required experienced facilitation, including the direct involvement of the Director General. Although progress was made in the Directorate, this was not as true for the Leadership Division itself. It was focused on delivering Leadership-related work and efforts for integrating planning for its agenda across organisation units were more limited.

4.4.4.2 Developing Robust PMO Services

The second routine identified, that affects the flexible use of resources, is *Developing Robust PMO Services*. Complex as it was, there were four PMOs affecting the WD/LP Organisational Unit during the NSRIP. The corporate Centre of Excellence (CoE) acted as a corporate-level PMO. There was a PMO for the overall NSRIP that supported David Nicholson, Permanent Secretary of the NHS, as the

overall sponsor of the Programme. The Workforce Directorate had a PMO (WPO) that served the programme and projects across their directorate (including the part of the NSRIP for which they were accountable). Finally, the Leadership Division had a local PMO to support the Leadership Projects. Each PMO provided different types and quality of service.

The corporate NSRIP PMO was not conceived or designed to provide any capability development support. Instead, it focused strictly on monitoring and control of the NSRIP on behalf of the Permanent Secretary. Its services were very limited and had minimal impact on capability development.

“The NSRIP office lay within a delivery group. It was the project managers who communicated with them, if anybody did at all. The only time you heard about them was when someone came back annoyed because you haven’t delivered this that and the other. It was a step removed.”

Interviewee - WD/LP 1

The Workforce PMO, with the support of an assigned *account manager*, helped set up the Leadership Division providing a wide range of services (see Table 68).

“The [Workforce PMO] provided an ‘account manager’ that would give them intensive support and help them on a one-to-one level both with individuals and with the director. The [Workforce PMO] account management structure worked very well as one person was the ‘go-to person’ for that team for a whole range of services.”

Interviewee - WD/LP 8

The WPO served the Leadership plus four other divisions. It was designed according to a hub-and-spoke model, whereby each division, including Leadership, needed sufficient delivery skills for its own programme of work. In spite of having an unspent budget available for additional staffing, the Leadership Projects team was short on administrative, communications and project management skills. As such, the Leadership Team struggled with delivery skills and demanded additional support from the WPO.

“The Leadership Division was given some posts and some money and the [Workforce PMO] had to help him fill them. For at least six weeks at the beginning of their work, probably from March through April 2008, the Workforce PMO gave them intensive support to make sure that they were recruiting to their posts and sitting on the panels and all that kind of thing.”

Interviewee - WD/LP 8

In spite of the WPO encouraging the Leadership Division to develop its own local PMO during its formation, the Leadership Division waited from early 2008 to late 2009 before it decided to do so. At this point, the Leadership PMO (LPO) was created and began to develop and expand its services (see Table 71) with a proportionally increasing impact.

"It was through them [the LPO] having a formal planning function that was operating across all the [leadership] policy areas that we now started to get a bit more conformity in place. [...] Everyone knew where they were. It isn't just in one person's head. People were working on the right tasks."

Interviewee - WD/LT 5

There were four PMOs affecting the Workforce Directorate/Leadership Projects. The Leadership Project team was heavily supported by the WPO with a broad range of services. In spite of this, the Leadership Project Team seriously struggled with the complexity it faced. It was not until the team set up a local PMO in September 2009 that the functioning of the Leadership team stabilised and improved. On reflection, there were routines for developing a robust PMO service, but overall these were inconsistent and did not fully support the flexible use of resources, as suggested by Proposition 3.

4.4.4.3 Developing a Culture of Continuous Improvement

The third routine identified that affects the flexible use of resources is *Developing a Culture of Continuous Improvement*. In the earlier phases of the Leadership Projects, there was a perception by some that management was in chaos. There was recognition that processes and skills needed to be improved.

"Before September 2009, I think it had been more chaotic because we just haven't had the structure. There wasn't the clarity. I think there was the frustration and the tensions because we had our programme office here asking everybody for not just one highlight report, but six versions of highlight reports and that would cause a lot of frustrations in the team, but what we managed to do in September was really streamline the process."

Interviewee - WD/LP 2

Improvements were made continuously. This happened by paying attention to organisational issues and actively intervening, bringing people together to resolve issues.

"I don't think the Leadership Team understood change at all. I think the penny dropped for them at the point that we started to do some reorganisation of the team. The Workforce PMO ran an exercise where they got everyone in a room and then everybody played a part in identifying what they did, what they didn't need to do and what they should do, so that we could develop a structure that meant that they had got a say in what they were going to achieve. The team was given the big context [...] and what they were supposed to be there to deliver, and then the nuts and bolts that sat behind how they were going to do that got the team to create."

Interviewee - WD/LP 8

During the various phases of the Leadership Projects, the routine *Developing a Culture of Continuous Improvement* was in force and strengthened. The Leadership

Team benefited from structured interventions and local problem solving. Significant amounts of resources were applied by the WPO and LPO. In spite of this, there was no evidence that a fully established routine developed. Rather, it was still fragile at the end of the NSRIP.

4.4.5 Public Review and Scrutiny

The fourth proposition for this study is that PBM capability in a policy-making context is developed over time through routines that integrate public review and scrutiny into policy-project implementation. The results identify three critical routines: *Establishing a Management Framework*, *Developing SROs Experienced in Civil Service PBM*, and *Leading and Motivating Teams during Rapid Change*.

4.4.5.1 Establishing a Management Framework

The first routine identified, that affects the integration of public review and scrutiny into the policy-context, is *Establishing a Management Framework*. Prior to the NSRIP, I could not find evidence that the Workforce Directorate had a clearly articulated management framework. Instead, it relied upon decision-making through less formal management structures and personal relationships, modelled upon how decisions were made in small policy teams.

“You would think that the Civil Service operates on well structured procedures and processes, but this is not the case. The delivery of work relies on who you know and how well you know them.”

Interviewee - WD/LP 7

To support PBO, the Director General Workforce and Workforce PMO worked together to define a management framework that made the mechanisms for managing the Directorate explicit (Appendix 11: Workforce Management Framework - Outline for an outline of its content). The management framework made explicit the central role Deputy Directors play in management and formalised the management approach for: governance and decision-making, staff engagement and communications, business planning, performance management, business management routines and business improvement.

“The management framework is about performance system, planning system, assurance system and then supported with HR, finance and procurement systems. Finance was a big part of that. It evolved through pressure from the PMO and others to influence the senior managers within that directorate, the directors in particular; to [get them to appreciate that it] would be a good thing. I would say that is a marked success of the people we had in there, to put important systems that are reliable and inform decision-making at the top [as a priority].”

Interviewee - WD/LP 3

A critical component of the management framework was a performance management system-based on a balanced scorecard (see Appendix 12: Workforce Management Framework - Performance Management). The performance

management system operated at directorate, team and individual levels, and incorporated project and non-project ways of working across the entire Directorate. At the Directorate and team levels, a balanced scorecard with quadrants for resources (i.e. finances and staff), business improvement, delivery and feedback was a central tool.

“The balanced scorecard had four quadrants. The first one was very much around delivery. Probably this was the hardest bit to set up because this was about thinking through what are just our top ten maximum key deliverables and then sitting behind that were the pieces of work that would feed into those top ten programmes. The second quadrant was for resourcing [i.e. people and financial management]. There was the third one, which was business improvement. There were ten indicators around how we were improving the business, which we agreed in partnership with the business around what they would be. The fourth quadrant was around staff feedback, which was primarily around what our staff survey was telling us. So there was a bit of a link between that and the business improvement.”

Interviewee - WD/LP 8

The introduction of a common project-planning tool, the Enterprise Project Management system, complemented the management framework. By normalised project planning practices, there was a residual building of community that promoted more open discussion of progress, issues and risk.

“EPM is a project management tool, but it was more. It gave some management structure. It allowed having regular board, programme, and project managers’ meetings to discuss progress, interdependency issues and risks. It was a means by which to create a community. I think without it, without that type of planning tool and the commonality that that brought across the programme and consistency, I think it would have struggled. I think that was very, a really useful enabler.”

Interviewee - CoE 3

At first, a more structured way of working was resisted. Those introducing it, worked to demonstrate that key activities, such as planning, performance and assurance, should not be and do not need to be an add-on. They are integral to the business.

“I demonstrated that the reason that I want to do the planning in this way is that you don’t need to do something special to complete an annual Statement of Internal Control. You are just doing it. We don’t have a big scratch around for a fortnight to try to produce it. It is how we run our business.”

Interviewee - CoE 2

The role of the Deputy Directors was central in the framework. Their responsibilities and skills were made explicit (see Appendix 13: Workforce Management Framework - Deputy Director’s Role.) As such, they were expected to implement and deliver on the framework, under the direction of their Director, the sponsorship of the Director General, and support of the Workforce PMO. A difficulty in adopting the management framework in the Workforce Directorate

arose in that the Deputy Directors did not actively embrace the management framework.

"It probably wasn't followed through as much as it should have been by the Deputy Directors in particular and their teams."

Interviewee - WD/LP 6

Adoption of the management framework in the Leadership Division was challenging, as it did not have a clearly defined Deputy Director throughout the various phases (see Table 70 on page 249 for a timeline with a summary of resources). A *de facto* individual fell into the role of Deputy Director, which helped, but also created difficulties.

"One of the team members was a lynch pin for the team and there was no way we could have delivered without them. We would have faced a lot more stress if it wasn't for this person. They got to the point where they felt they were pretty indispensable and they were right. In response, we were trying to get them upgraded [to a Deputy Director] although this wasn't possible because of the processes that the Civil Service has in place for being promoted to a Deputy Director."

Interviewee - WD/LP 6

With persistence, changes were gradually made and a more resilient management approach evolved in the Workforce Directorate.

"Some mechanisms were put in place that made us all manage things a little bit better. You could see some structure rather than just doing things randomly. We were taking a cross-business and programme management approach."

Interviewee - WD/LP 6

"The directorate has developed over the last few years. There is an acceptance rather than a revulsion or push away of the helpfulness of assurance mechanisms, such as an audit review or an OGC Gateway review."

Interviewee - WD/LP 3

At the end of the study period, as the Leadership Projects team was dismantled and reduced in size, the management systems in the Leadership Division disintegrated.

"We put things in place to get it right, recognition that there were opportunities to profile what we were doing, the NHS leadership of the work streams, the performance management aspects of what we deliver and managing upwards well. Various things were put in place really, but it then drifted away."

Interviewee - WD/LP 3

During the various phases of the Leadership Projects, the routine *Establishing a PBM System* was developed. A new management framework was established in the Workforce Directorate over the phases of the Workforce Directorate/Leadership

Projects. The management framework made explicit the central role Deputy Directors play in management and formalised the management approach for: governance and decision-making, staff engagement and communications, business planning, performance management, business management routines and business improvement. The development and adoption was a formal process that made management more transparent.

The management system was not fully employed and embedded. The most significant constraints to strengthening the routine resided at the Deputy Director level of the organisation. There was no Deputy Director in the Leadership Projects team who was accountable for Establishing a Management Framework. With the involvement of keen individuals, the management in the Leadership Division improved, reaching a level of stability in 2010, just as the team began to be dismantled.

4.4.5.2 Developing SROs Experienced in Civil Service PBM

The second routine identified, that affects the integration of public review and scrutiny into the policy-context, is *Developing SROs Experienced in Civil Service PBM*. A large portion of the Workforce Directorate's work was functional-based, not project-based. Hence, prior to the NSRIP, the habituated management systems were largely built around FBO (rather than PBO) and assumed that the senior staff had Civil Service experience. This caused difficulties.

The first difficulty was that an SCS acting as an SRO of a programme expected to find approaches that would be in place in an FPBO. As one example, the SRO expected some control of funds. Instead, they had minimal control of funding. Funding was allocated to the Director General as if the work were functional-based, and administered by the Workforce Business Planning unit that supported the Director General.

"The Department doesn't recognise the accountability of a Senior Responsible Officer. It gives the money, the financial allocation, to the Director General not to the Senior Responsible Officer. So what is the SRO being held to account for? The resources don't go to the SRO. Nobody [outside the Directorate] checks with the SRO on deliverables and outcomes. None of that is being reported [by the SRO] to the corporate board."

Interviewee - CoE 3

The second difficulty was that senior staff members who were brought into the Leadership Project team did not have Civil Service experience. They generally struggled with [...] the Department's business-as-usual work.

“We were a new workstream, but we kind of became a business-as-usual thing as well. We had to participate in everything that was happening in the department as if we were an official division within the department. That was very odd because in some ways you could say that we were a finite project team, but we were also a core part of the Workforce Directorate in terms of the routine submissions that any minister would want or parliament would request. We had to put in mechanisms for business-as-usual and therefore we recruited some existing civil servants to make sure that we were covered.”

Interviewee - WD/LP 3

The onus was put on the SRO to deliver projects in a Civil Service organisation that was not highly project-based. An SRO with particular PBM experience in the Civil Service would be familiar with this situation and work their way through it. Unfortunately, the SROs for the Leadership Projects did not have significant Civil Service experience. In spite of this, it appears they were given minimal personal support throughout the life of the NSRIP. It was more a case of learning by doing.

“I don’t think there was any [support]; we were talking about a really difficult situation.”

Interviewee - WD/LP 8

The lack of targeted support for the SRO of the Leadership Projects was not unique to this set of projects. This was consistent with other parts of the DoH.

“No investment was made in SROs. No training put in place for SROs, despite our desire to do it. I don’t think we recognised the SRO role actually because people took up those roles because of the policy agenda that they were going to work in, not because they wanted to be a Senior Responsible Officer.”

Interviewee - CoE 3

Interviewees identified the routine of developing SROs experienced in Civil Service PBM. Although relevant, it was a routine that was not highly developed in WD/LP. The challenge is that SROs (effectively SCSs) must understand both how to create PBM capability as well as how to exploit it when it exists, and they must know how to do this in a Civil Service context.

4.4.5.3 Leading and Motivating Teams during Rapid Change

The third routine identified, that affects the integration of public review and scrutiny into the policy-context, is *Leading and Motivating Teams during Rapid Change*. Prior to the NSRIP, the Workforce Directorate did not focus attention on team-based working and was not working to particularly stringent externally set timelines.

"I think with hindsight, more time should have been spent in building the team, understanding what different people by way of skills and experience were bringing to the party."

Interviewee - WD/LP 4

However, attention to team-based working increased over the course of the Leadership Projects allowing the team to make connections, identify issues and problem-solve.

"Some work was done later, but it was probably done after the horse had bolted so to speak. [...] At that point, we started to develop some values, some ways of working instilled. I insisted that we have a team meeting every Friday regardless of who was there. People didn't pitch up just because they didn't feel like it or turn up late. That is what we had every single Friday; it was our opportunity as a team to come together."

Interviewee - WD/LP 2

The low results of the staff survey for the Leadership Division showed that a fair portion of people were unhappy (see Figure 37 on page 248 for a summary of staff satisfaction results). Attention was not being paid to individuals or the team, which was aggravated by the fast pace of changes that were happening. The low results reflected the low level of individual awareness, engagement and motivation, putting the broader interests of public scrutiny and review at risk.

"I think the fast pace needed to be done, but people were not coming up for air. They were heads down trying to do something, but not necessarily getting a pat on the back to say "Look, good piece of work, well done, thank you" or not necessarily saying "Look, do you understand this? Is there a problem? How can we work together to resolve the problem?" but there wasn't; it was almost "That is the task, deliver it by X." That could be one way of working, but I don't think that it encourages motivation for going the extra mile, the lateral thinking and all those sorts of things that I think people wanted. This affected both civil servants and contractors."

Interviewee - WD/LP 2

The low staff survey results existed during the beginning phases of the NSRIP. The Workforce Directorate and Leadership Division made specific efforts to improve staff satisfaction. For the Leadership Division, this meant: simplifying the management structures and flow of information, improving the clarity of roles and responsibilities, paying attention to rewarding staff and providing engaging work. The use of formal personal performance reviews was used.

"I like to be very clear about roles and responsibilities, clear on who is doing what. It drives me scatty when people don't knowing what is going on, what is happening, when everybody isn't aligned, and people are doing other people's jobs. When I've owned teams, the framework has been extremely clear."

Interviewee - WD/LP 2

“Trying to make sure staff that were doing much better were given rewarding and engaging work, work that was interesting. All of us have parts of our jobs, which are boring as anything, but it was just making sure that it wasn’t all boring. Everybody had something engaging, interesting, lifted into a higher level, that sort of work. There was some performance development planning and appraisals in place to help with that.”

Interviewee - WD/LP 2

“Making sure there was structure so everybody could find information and it wasn’t lost into the ether – getting contact lists up to date, and having owners and people responsible, and holding people to account a bit more.”

Interviewee - WD/LP 2

During the initial phases of the Leadership Projects, little attention was paid to leading and motivating teams during the fast-paced changes that were occurring. As time progressed, greater attention was paid, but only after the team became dysfunctional, according to one interviewee. Teams need to be led and motivated in any organisation; however, there was a heightened need due to the added pressures of change. Paradoxically, given the pace of change, there was less attention paid to leading and motivating the team; instead, attention was focused on producing the required deliverables. Attention was paid to integrating project and business-as-usual activities (such as responding to parliamentary business) into individual work plans, simplifying the management structures and flow of information, improving the clarity of roles and responsibilities, paying attention to rewarding staff, providing engaging work, and using formal personal performance reviews. Although there were some successes, overall the routine appeared to be weak and poorly developed.

4.4.6 Learning from Other Civil Service PBM Experiences

The fifth proposition for this study is that PBM capability in a policy-making context is developed over time through learning routines that exploit the skills and knowledge of PBM from other Civil Service experiences. Three routines that have affected the development of learning routines are: *Developing Individual Careers*, *Integrating PBM with Corporate Learning System* and *Developing Directorate Learning Systems*.

4.4.6.1 Developing Individual Careers

The first routine identified, that affects learning from other Civil Service experiences, is *Developing Individual Careers*. At the beginning of the NSRIP, the pace was hectic. There was minimal time to cope with skilling up individuals. Individuals needed to land in the job with the necessary skills for their particular job.

“During the early days there was no attention paid to individual careers, not at all. Out of sheer desperation, it was just ‘get bums on seats’. Later on, there was more work around it.”

Interviewee - WD/LP 3

The experience profile of the interviewees describes a resource pool with limited experience in the DoH and the Civil Service. The eight interviewees for this study had, on average, 16.9 years’ experience in private and other sectors, 1.9 years’ experience in other Civil Service departments, and 6.3 years in the DoH with the experience in the DoH skewed by two individuals (see Table 72).

Table 72: Leadership Projects – Experience in Sectors

n=8	Private and Other	Other Civil Service	DoH	All Sectors
Years	16.9	1.9	6.3	25.0
Ratio	68%	8%	25%	100%

As an alternative to recruiting people with PBM expertise, the Workforce Directorate had instituted a programme of project management training for policy staff prior to the NSRIP. This appeared to have a relatively low impact and external expertise still had to be brought in for the NSRIP.

“Prior to the NSRIP in 2007, there had been a period of heavy investment in project management by the Directorate on PRINCE2 and to an extent on developing Association of Project Management qualifications. I think a lot of that was a wasted investment because it wasn’t self-evident within the staff when I joined. Subsequently, we still had to invest heavily to bring external expertise into the Directorate.”

Interviewee - WD/LP 3

One of the reasons that the training had minimal impact was that the individuals who received training did not get a chance to apply their training in practice.

“There weren’t many opportunities even if you went and did a bit of training. There weren’t many opportunities for you to have a go at a project plan yourself. You needed to start to implement what it is you have been learning. Otherwise, it is a waste of money for the business and actually it is a waste of time for you.”

Interviewee - WD/LP 1

Induction processes that might be part of an individual’s development process were not readily available to leadership staff during the early phases of the Leadership Projects. The NSRIP, Workforce Directorate and Leadership Division PMOs were focused on the demands of delivering outputs and, where possible, building basic infrastructure.

“New staff members were expected to hit the ground running. If they didn’t, they found it very difficult because there was no formal support.”

Interviewee - WD/LP 2

Once the PMO in the Leadership Division became functional in 2009, it developed an induction package for staff. The induction included an overview of the NSRIP, Leadership Projects and basic information about the available tools (see Appendix 22: Project 3 - Leadership Projects - Staff Development).

"We created an induction folder and had an induction week or two weeks when staff came in and they got to grips with working. Some would be working in the department, so it was about getting to understand how a department worked. For others who had been in a department, it was about understanding how leadership worked."

Interviewee - WD/LP 2

It appears that the induction processes were used more to induct permanent civil servants and less so to induct contractors.

"I think contractors were left to their own devices to be perfectly frank."

Interviewee - WD/LP 2

Appraisals and reviews were introduced into the Leadership Division for permanent staff as part of individuals' learning systems.

"We didn't focus on programme funded [contract] staff, only on admin funded [permanent] staff."

Interviewee - WD/LP 3

The focus of reviews with contractors was on deliverables, not on development or career paths.

"Now we do objectives with our programme funded, but it is 'here is a list of stuff that you are responsible for'."

Interviewee - WD/LP 2

As the team grew and stabilised there was time for individual mentoring and a form of apprenticeship. There was a targeted effort to help individuals develop project management and delivery skills.

"What has been a takeaway for people are the importance of communications, importance of alignment within programmes and projects, and the importance of understanding roles and responsibilities. Also, the basics of understanding that you need a vision and then a way of delivering that vision, and then need alignment with people's attitudes and behaviours."

Interviewee - WD/LP 2

Developing Individual Careers was identified as a routine that exploits the skills and knowledge of PBM from other Civil Service experiences. In lieu of using recruiting as part of career development, the Workforce Directorate attempted to develop project management skills through training. However, the people on this training

did not get a chance to apply their knowledge and were inexperienced. When the NSRIP started, fully functioning and capable project management resources were required, but not available. Contractors were then required as result. During the early stages of the Leadership Projects, this did not leave room for individuals' PPM career development. As time progressed, induction, apprenticeship and mentoring processes came into play. These were focused on administratively funded resources that, generally, are policy specialists. Some of the individuals appeared to have developed project management skills that were available for future roles. Contractors were handled quite differently from permanent staff members and not included in the individual career development processes. There is clear evidence that this routine strengthened, but it did not appear to be fully developed.

4.4.6.2 Developing Directorate Learning Systems

The second routine identified, that affects learning from other Civil Service experiences, is *Developing Directorate Learning Systems*. In the DoH, the Workforce Directorate had to develop its own learning systems. This was necessary as the Department operated with fairly independently run Directorates and the central HR only offered generic training courses.

"Each directorate is almost like its own organisation with its own accountability, its own budget and its own power. It really is up to the personalities who lead those directorates to make things work in terms of working together and bringing teams together."

Interviewee - WD/LP 3

Prior to the NSRIP, the Workforce Directorate did not have a formal learning system in place. This is consistent with the profile of the services of the Workforce PMO (see Table 68), which shows that learning systems were not in place at the start of the NSRIP.

The Directorate used recruitment in lieu of not having an internal learning system for PBM. Theory would suggest that recruitment systems would draw from other 'projects' in the same industry. However, the recruitment of people with PBM skills from other departments was not a central consideration. Instead, staff members were recruited from various sources including from unallocated resource pools.

"In 2010, the team inherited two persons that didn't have other work to do. This is not an effective recruitment strategy and the quality of the staff reflected this."

Interviewee - WD/LP 7

With the support of the Workforce PMO, a broad range of learning approaches was introduced to support the Directorate. These included mentoring SCSs who oversaw project and non-project work, formalising talent management (a process of assessing the performance and potential of the more senior members of the

Directorate), co-locating staff in the same physical space and facilitating interactions through Directorate (all-staff) learning events:

Talent Management: “It wasn't just a programme management thing, but we measured talent. That was one process that was stronger than would have been the case before there was that focus on project management.”

Interviewee - WD/LP 6

Co-locating Staff: “We actually moved the team. They were sitting next to another part of the Workforce Directorate. What they could see and be exposed to help them. They could see the infrastructure that other people had put around their work, not just the physical templates that were being used, and how programme boards were supported. Just sitting next to others so they can see how they work, I think, really helped”

Interviewee - WD/LP 8

Directorate Learning Events: “A number of sessions held by Workforce were very useful. These were real learning opportunities to understand the programme, alignments between Leadership Projects and other pieces of work and where we can make the linkages. At these events, there were also workshops held where we talked about various programme management things, such as reporting. Staff members were brought together and asked for advice and opinions and views, so that was an opportunity to share our learning, our experience and input that into the Workforce Directorate.”

Interviewee - WD/LP 2

Over time, it appears that learning systems and their impact improved.

“Some areas have got it now.”

Interviewee – WD/LP 8

However, not all policy-makers made the effort or saw the value of learning about PBO.

“I think, depending on individuals, that was helpful for some, less helpful for others. Some policy people buy it and some don't really.”

Interviewee - WD/LP 3

The independent nature of the Directorates in the DoH demanded robust Directorate-level learning-systems. The Workforce Directorate had underdeveloped systems prior to the NSRIP, for example recruitment was not treated as a way for the Directorate to bring in new ideas or was not used to support new staff in understanding the way things were done in the Directorate. With the introduction of a higher functioning PMO, the Directorate was capable of developing the Directorate-level learning systems. These included a talent management process, the planned co-location of teams and the establishment of learning events. It was felt that staff redeployment and inductions should have

been part of the overall Directorate learning systems, but these did not develop during the period of this study. Overall the Directorate learning systems began to have a noticeable impact. Given this, it is apparent that this routine strengthened; however, it did not appear to be fully developed.

4.4.6.3 Integrating PBM with Corporate Learning Systems

The third routine identified, that affects learning from other Civil Service experiences, is *Integrating PBM with Corporate Learning Systems*. Five corporate learning practices were suggested: *Maintaining a corporate PPM Centre of Excellence (CoE)*, *Providing strong PPM Leadership at the SCS Level*, *Creating a PPM Community of Practice across the Department* and *Managing corporate change*. However, integration with the PBM of the NSRIP was weak.

Maintaining a Corporate PPM CoE: During the NSR Leadership Programme, the Head of the PPM CoE for the DoH retired and resources were stripped away from the CoE. Although another Head of the PPM CoE was appointed, she struggled to obtain significant management support. The impact of the CoE was minimal on the Leadership Projects. When individuals were asked what support they received from the corporate CoE, they indicated that they expected PPM tools, templates, and support to be made available. However, nobody could identify anything tangible that was provided.

Providing Strong PPM Leadership in the SCS: I did not find any clear evidence that the department gave that connected corporate learning to PBM during the NSRIP. The opposite was evident, as during the NSRIP, a period of major change, the department dismantled the Corporate Management and Improvement Committee. This committee had the mandate of overseeing corporate change and the risk of major programmes. No executive-led committee took this committee's place and, hence, leadership for corporate change and improvement dissipated.

In 2010, there were approximately 310 SCSs providing leadership to the DoH. Two hundred were Deputy Director-level (SCS 1) SCSs, who were required to self-declare allegiance to a specialism, i.e. Economist, Finance, and Policy. Of these, it is believed that no more than three were self-identified PPM specialists. There was one PPM specialist Deputy Director in the Workforce Directorate, but this was not in the Leadership Division.

"The organisation focused its investment in [general] leadership because that is what the capability review pushed towards. What it didn't do was push it towards leadership in a PPM sense. We have got qualifications in the department around leadership coming out of our ears because we have done all the leadership programmes and the SCS development is all about [general] leadership, but what we haven't got is the volume of people with programme and project management leadership skills, and actual practical experience in how to do it."

Interviewee - CoE 3

Creating a PPM Community of Practice: In the NHS-facing Directorates of the DoH, there are approximately 500 to 600 members of staff. Of these, I could identify about 20 to 25 individuals, ranging in seniority, who expressed an interest in PPM and PBM. A forum has been set up where these individuals come together, to share lessons learned and develop understanding. However, probing deeper it appears that the community is composed of aspiring individuals and external contractors. Critically absent are Civil Servants that have notable PPM experience.

“On the Civil Service side I would say it is minimal - a couple - perhaps two or three at best.”

Interviewee - CoE 2

Managing Corporate Change: The DoHs 2010 staff survey had a very poor satisfaction rating for leadership and managing change relative to other departments. The previous year was poor and this represented a further deterioration. This identifies two serious ongoing issues for the Department (see Appendix 24: Project 3 - DoH – 2010 Staff Satisfaction for further details).

“The executive are now just realising that the [departmental] capability review and capability re-review were very clear in telling them that there were problems with leadership and change management within the department. The Civil Service-wide staff surveys we just had in 2010 show again that change is a big issue in the Department - just as we were about to go into a massive change process.”

Interviewee - WD/LP 8

Five corporate learning practices that might have integrated with the learning systems of the WD/LP organisational unit were mentioned by interviewees: *Maintaining a corporate PPM CoE, Providing strong PPM Leadership at the SCS Level, Creating a PPM Community of Practice across the Department and Managing corporate change.* All of these were failing or poorly supported during the NSRIP and did not provide significant benefit to the Workforce Directorate/Leadership Projects. Overall, this routine appeared to be weak and poorly developed.

4.4.7 Synthesis of Leadership Projects Findings

The results from the Leadership project sources provide insights into the PBO routines employed during the initial phases of the NSRIP, between 2007 and 2010, within the Workforce Directorate. The insights are derived from analysing semi-structured interviews with executive, PMO, policy-makers, programme manager and corporate sources.

The results provide evidence of the usage of 17 routines by the WD/LP Organisational Unit. The results trace the development of PBO routines in a nascent division that was not experienced in organising projects. An assessment of strength at the beginning and final state of the various routines is provided in Table 73.

Table 73: WD/LP Organisational Unit – PBO Routines over Time

PBM Capability Development Proposition	PBO Routines	Level of Development (weak, medium, strong)	
		Phase 0	Phase 4
P1 – Routines that Align the Organisational Practices of the Policy-making Specialists with those of the PPM Specialists	<ul style="list-style-type: none"> Integrating Specialist Resources Mediating between Policy and PPM Specialists Tempering Project Planning for Policy-makers Legitimising the PPM Profession Understanding Accountability and Scrutiny in the Civil Service 	Weak Weak Weak Weak Weak	Medium Medium High Medium Medium
P2 – Routines that Enable Value and Purpose to be Effectively Negotiated across Temporal and Organisational Boundaries	<ul style="list-style-type: none"> Developing Benefit Realisation Management Building a Compelling Narrative Establishing and Maintaining a Mandate 	Weak Weak Weak	Weak High High
P3 – Routines that Enable the Flexible Use of Resources	<ul style="list-style-type: none"> Integrating Business Planning Across Organisational Units Developing Robust PMO Services Developing a Culture of Continuous Improvement 	Weak Weak Weak	Medium Medium Medium
P4 – Routines that Integrate Public Review and Scrutiny into Policy-Project Implementation	<ul style="list-style-type: none"> Establishing a Management Framework Developing SROs Experienced in Civil Service PBM Leading and Motivating Teams during Rapid Change 	Weak Weak Weak	Medium Weak Weak
P5 – Routines that Exploit the Skills and Knowledge of PBM from other Civil Service Experiences	<ul style="list-style-type: none"> Developing Individual Careers Developing Directorate Learning Systems Integrating PBM with Corporate Learning Systems 	Weak Weak Weak	Medium Medium Weak

At the end of the NSRIP, three of the routines were established and strongly developed: *Tempering Project Planning for Policy-makers*, *Building a Compelling Narrative* and *Establishing and Maintaining a Mandate*. The other 14 routines were not strongly developed. The organisational unit began as very chaotic, short of skilled staff and under high pressure to deliver without the time to focus on PBM capability. However, 13 of the routines were strengthened during the NSRIP. Four routines were weak at the beginning of the NSRIP and remained weak at the end: *Developing Benefit Realisation Management*, *Developing SROs Experienced in Civil Service PBM*, *Leading and Motivating Teams during Rapid Change* and *Integrating PBM with Corporate Learning Systems*.

As a means of considering the development of PBM capability over time from the perspective of the five distinctive challenges of PBM in the Civil Service, each of the five propositions was supported as follows during the NSRIP:

Proposition 1: The routines *Integrating Specialist Resources*, *Mediating between Policy and PPM Specialists*, *Tempering Project Planning for Policy-makers*, *Legitimising the PPM Profession* and *Understanding Accountability and Scrutiny in the Civil Service* strengthened to help align the organisational practices of the policy-making specialists and those of the PPM specialists. The routine *Tempering Project Planning for Policy-makers* strengthened the most.

Proposition 2: The routines *Building a Compelling Narrative* and *Establishing a Maintaining a Mandate* strengthened over time to allow value and purpose to be negotiated over time. The routine *Developing Benefit Realisation Management* was weak and did not develop over time.

Proposition 3: The routines *Integrating Business Planning across Organisational Units*, *Developing Robust PMO Routines* and *Developing a Culture of Continuous Improvement* strengthened over time to enable the flexible use of resources.

Proposition 4: The routine *Establishing a Management Framework* strengthened to help integrate public review and scrutiny into policy-project implementation. The routines *Leading and Motivating Teams during Rapid Change* and *Developing SROs Experienced in Civil Service PBM* did not develop over time.

Proposition 5: The routines *Recruiting and Developing Individual PPM Career* and *Developing Directorate Learning Systems* strengthened over time to help exploit the skills and knowledge of other Civil Service PBM experiences. The routine *Integrating PBM with Corporate Learning Systems* did not strengthen over time.

The results identify five roles that are critical to the development of PBM capability: Directors, Director General, PMOs (PPM Specialists), Deputy Directors, and PPM CoE. These roles are important to both FBO and PBO and serve to mediate between them. The results show that each of these five roles had various successes and challenges (see Table 74). None of the roles was entirely successful in developing routines that they affected. However, it appears that the Director General and PMO were slightly more impactful, while the PPM CoE had the least success in developing its respective routines.

The Director role had some success in developing the routines *Legitimising the PPM Profession*, *Understanding Accountability and Scrutiny in the Civil Service*, *Mediating between Policy and PPM Specialists* and *Integrating Business Planning across Organisational Units*. Improvements with business planning were limited by the resistance of the Deputy Directors to adopting managerial approaches to policy-making. During the course of the Leadership Projects, there were significant challenges. These routines were stabilising and becoming more impactful, just as the team began to disband. There was negligible success in developing the routine *Developing Benefit Realisation Management*.

Table 74: Leadership Projects – PBM Capability Development Roles

Role	Routines	Level of Development (Weak, medium, strong)	
		Phase 0	Phase 4
Directors	<ul style="list-style-type: none"> Mediating between Policy and PPM Specialists Legitimising the PPM Profession Understanding Accountability and Scrutiny in the Civil Service Integrating Business Planning across Organisational Units Developing Benefit Realisation Management 	Weak Weak Weak Weak Weak	Medium Medium Medium Medium Weak
Director General	<ul style="list-style-type: none"> Establishing and Maintaining a Mandate Building a Compelling Narrative Developing a Culture of Continuous Improvement Developing SROs Experienced in Civil Service PBM 	Weak Weak Weak Weak	High High Medium Weak
PMOs (PPM Specialists)	<ul style="list-style-type: none"> Developing Robust PMO Services Developing Directorate Learning Systems 	Weak Weak	Medium Medium
Deputy Directors	<ul style="list-style-type: none"> Tempering Project Planning for Policy-making Establishing a Management Framework Integrating Specialist Resources Developing Individual Careers Leading and Motivating Teams during Rapid Change 	Weak Weak Weak Weak Weak	High Medium Medium Medium Weak
PPM CoE	<ul style="list-style-type: none"> Integrating PBM with Corporate Learning Systems 	Weak	Weak

The Director General role had success in *Building a Compelling Narrative* and *Establishing and Maintaining a Mandate*. These are both relevant in non-PBM working and are familiar to the Civil Service, which may be why they improved. The Director General also had some success in developing the routine *Developing a Culture of Continuous Improvement* with very heavy tactical support from the Directorate PMO. There is little evidence that the routine *Developing SROs Experienced in Civil Service PBM* was established. The challenge is that the SROs must understand both how to create PBM capability as well as how to make use of it when it exists, and they must know how to do this in a Civil Service context. Individuals were left to themselves, with perhaps some individual mentoring rather than having an established routine to ensure that this capability existed.

The PMO role was successful in establishing the routine *Developing Directorate Learning Systems* and had some success with strengthening the routine *Developing Robust PMO Services*.

Overall, individuals in the Deputy Director role, when they existed, struggled. The significance of this role was not fully appreciated within the Leadership Division, in spite of this being emphasised by advisors outside the team. Those that took up the role in a *de facto* capacity managed to affect the routines *Tempering Project Planning for Policy-making and Recruiting*, *Establishing a Management Framework*, *Developing Individual Careers* and *Integrating Specialist Resources*. Overall, the Deputy Director role was the least successful in developing routines within their purview. In particular, the routine *Leading and Motivating Teams during Rapid Change* was not strong.

In the DoH, the significance and impact of the PPM CoE role was minimal during the NSRIP. One particular routine where it had an important role was *Integrating PBM with Corporate Learning Systems* but this was not a strong routine.

4.5 Findings - Informatics Directorate/Informatics Projects (2008-2010)

This chapter identifies the results of exploring the semi-structured interviews of individuals associated with the Informatics Directorate/Informatics Projects organisational unit and associated secondary sources. This organisational unit was responsible for delivering a subset of the projects within the overall NSRIP as described see Appendix 18: Project 3 - Informatics Directorate/Informatics Projects for a description). The results of the study of this organisational unit begin with a timeline using *temporal brackets* (see section 4.3.7 Data Reduction and Analysis), followed by the detailed results relevant to each of the five propositions for this study and end with a summary of the key insights that emerge.

4.5.1 Informatics Projects Timeline

The Informatics Division existed in the DoH before the NSR Review. The NSR Review Implementation Programme followed the NSR Review, which formally began in July 2007 when Lord Darzi asked nine of England's ten Strategic Health Authorities (SHAs) to review existing health services and to formulate strategies for improving health services in their region. Within this work, a theme of work around informatics in the NHS emerged. At this time, there was already an organisational unit that had accountability for informatics-related policy-making and its work was adapted accordingly. This area of work continued to the end of the timeframe of this study – December 2010. During the study timeframe there were six identifiable phases to the work. The pre-NSR phase followed by five identified phases of the NSR informatics work that are summarised chronologically in the following sections.

4.5.1.1 Pre-NSR Review Phase

The Informatics Projects had roots in the pre-existing National Programme for IT (NPfIT). The origins of NPfIT can be tracked as far back as 1998 when the DoH published the paper 'Information for Health', which called for the development of electronic health records for patients, information about best clinical practice, and online access to patient records for clinicians. In 2001, the DoH described the founding principles of NPfIT in its report 'Delivering 21st Century IT Support for the NHS', which eventually led to the formal creation of NPfIT in 2003. The NPfIT was the "largest single IT investment in the UK to date, with expenditure in the Programme expected to be £12.4 billion over ten years to 2013-14 (PAC, 2007a). Originally, the intention was that NPfIT would operate as part of an Arm's Length Body (a.k.a. NDPB) and sit outside the DoH. However, this never actually happened. It occupied a unique status in the Civil Service whereby it operated at arm's length from the Department, but was not formally an arm's length body, but

part NHS Connecting for Health (CfH). NHS CfH was originally established on 1 April 2005 and set up to deliver the National Programme for IT (NPfIT) and to provide central IT infrastructure and services to the NHS, previously provided by the NHS Information Authority. NHS CfH was staffed with a mix of people with Civil Service, NHS, big consultancy and private sector backgrounds.

NPfIT included approximately 60 projects (workstreams) ranging in value from £3 billion, for a national contract, down to hundreds of thousands, for some work with the Ministry of Defence. According to interviewees of this study, it was estimated that 70% of the portfolio of work was composed of programmes and projects, and 30% of business-as-usual or operational work.

4.5.1.2 Phase 0 (Jul 2007 to Jan 2008)

As NPfIT pre-dated the NSRIP, this phase was about reviewing existing informatics policy, priorities and projects. One of the listed NSR Informatics Projects was conceived prior to the NSRIP – the Clinical Dashboards Project. It was scoped during this phase and a project initiation document drafted.

Richard Grainger and Gordon Hextall led the informatics work until the time the NSRIP began to take shape, at which time they both left the organisation for other jobs. Upon their departure in January 2008, Matthew Swindell was appointed as Acting Director General Informatics at the DoH, until such time as a permanent replacement was found.

4.5.1.3 Phase 1 (Jan 2008 to Jul 2008)

Under the leadership of Matthew Swindell, Phase 1 was about establishing the informatics policy commitments. “High Quality Care for All” was published in June 2008 and it included all of the NSR policy recommendations including those for Informatics. The Health Informatics Review was published in July 2008. It built upon the NSR by “describing how informatics is supporting the delivery of better, safer care of patients, improving the NHS through better research, planning and management, and empowering patients to make more informed choices about health care.” The project initiation document was signed off for the Clinical Dashboards Project during this phase, with the project being initiated in March 2008.

4.5.1.4 Phase 2 (Jul 2008 to Jan 2009)

Phase 2 was about planning to implement the informatics policy commitments. Following the recommendations of the NSR, three informatics projects were set up within NHS CfH. These projects were HealthSpace, Clinical Dashboards and NHS Gateway (Appendix 18: Project 3 - Informatics Directorate/Informatics Projects). The Clinical Dashboards project was carried forward into the NSRIP; the HealthSpace project was initiated during this phase and pre-planning for NHS Gateway project was scoped.

The organisational unit operated with 292 contractors out of a total staff pool of 1,300 people (see Table 75 for details of resourcing). Under the direction of the PMO, teams were developed through internal redeployment of existing resources and external recruitment of contractors.

During this phase, Christine Connelly was recruited from industry and appointed to the position of Director General for Informatics and Chief Information Officer for Health in September 2008. In this new role, the DoH IT Division, NHS CfH, and the NHS Information Centre were brought together into one organisational structure under Christine Connelly, Director General Informatics Directorate.

4.5.1.5 Phase 3 (Jan 2009 to Dec 2009)

This phase was about building the teams to deliver informatics recommendations in the NSR. The Clinical Dashboards and the HealthSpace projects continued to develop momentum. Formal project initiation documents were drafted and signed off for the NHS Gateway project. The teams to support all of these projects were expanded.

The structure of the organisation under Christine Connelly changed. Tim Donohoe joined as Programme Operations Director in June 2009. He was accountable for the PMO. More of the work was managed through PPM governance structures. He introduced a service management function to monitor the key national services and an operations function that took responsibility for business-as-usual activities that provided live service to the NHS.

4.5.1.6 Phase 4 (Jan 2010 to Dec 2010)

Phase 4 was about reviewing and realigning the informatics projects. A general election was scheduled for May and *purdah* came into effect, during which government ministers and civil servants refrained from taking decisions or making policy announcements. The general election resulted in a new government and political party being elected to run the government. After waiting for several weeks for the new government to form and ministers to be appointed, the leadership work continued to be in a hiatus.

Once ministers were in place, informatics policy was given a new direction and new impetus as it was well supported by the new government. The Informatics Directorate assumed responsibility for NHS Choices and for the Public and Patient Experience and Engagement Division. In early 2010, a formal project review of the NHS Gateway project was conducted with the support of OGC. The Gateway Programme closed following an options appraisal paper being submitted to the Gateway Programme Board on 28 April 2010. This was one of first times that a project closed as a result of a gateway review. Hence, the OGC used the closure of the project as an opportunity to learn how to close projects and produced draft guidance for other projects to exploit. A lessons-learned report was created and

subsequently, the programme team was redeployed within NHS CfH. In April 2010, over 100 patients were using HealthSpace Communicator across eight pilot sites. At the end of 2010, the new government went into consultation on informatics under the banner *An Information Revolution*, with the results being published in 2011 after the timeframe of this study. Informatics, driven by the sheer size of the budget, remained an interest of the new government.

4.5.1.7 Timeline Summary

A summary of the Informatics Directorate resources and headcount is provided in Table 75.

Table 75: Informatics Directorate – Resource and Headcount Summary

Informatics Directorate	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4
Resources	Jul07- Jan08	Jan08-Jul08	Jul08-Jan09	Jan09-Dec09	Jan10-Dec10
Director General	Richard Grainger	Matthew Swindell (2)	Christine Connelly	Christine Connelly	Christine Connelly
Chief Operating Officer	Gordon Hextall	-	Martin Bellamy	-	-
Programme Operation Director (PMO)	-	-	-	Tim Donohoe (from Jun 09)	Tim Donohoe
Policy/Planning Director	-	-	-	-	Giles Wilmore
10-year Estimate	£14.0b (08-09)	£14.0b (08-09)	£14.0b (08-09)	£12.4b (09-10)	£11.7b (10-11)
Permanent PPM	Unknown	876.2	Unknown	Unknown	1171.1
Fixed term		47.1			44.7
Contractors		292.3			88.2
Temps		22.0			4.0
Secondees		31.2			29.5
Policy Civil Servants	↓	32.0	↓	↓	28.7
Total Headcount (1)		1300.8			1366.2

Note 1: Includes Informatics Directorate and NHS CfH

Note 2: Matthew Swindell was acting

During the NSRIP study period, July 2007 to December 2010, the Director General changed several times. In July 2007, he was the Director General NHS IT and the head of NHS CfH. He was accountable for the NPfIT, which operated as a quasi Arm's Length Body. Most of the people who work in the organisation were not technically Civil Servants, not part of the DoH, in staffing terms. They were employed by the NHS Business Services Authority, which in itself is an arm's length body, and were hosted by that organisation. However, in management terms, accountability was to the Informatics Directorate of the DoH.

The informatics organisation went through major structural and leadership changes during the NSRIP. There were three Directors General during the programme; the leaders of the PMO shifted; and, three related IT organisations were brought together into one new management structure under one Director General: the DoH IT, the NHS CfH Programme and the NHS Information Centre. At the same time, informatics policy was under critical review.

Staff satisfaction surveys were conducted by the DoH between September 2007 and June 2009. During this period, results were provided for the Department and Informatics Directorate (see Figure 38). These results reflect the satisfaction of the full-time permanent policy specialists and not that of the NHS CfH PPM specialists.



Figure 38: Informatics Directorate/Informatics Projects - Staff Satisfaction

In September 2007, the Informatics Directorate's staff satisfaction results were the same as the Department's average results. The results in December 2007 dropped significantly as the Director General, Richard Grainger, departed for another job and before Matthew Swindell arrived as an interim Director General. From March 2008 to June 2009, the staff satisfaction results track was approximately 20% below the DoH average. Policy specialist civil servants were relatively dissatisfied compared to their peers in the DoH. Staff satisfaction was low during this period and the organisational flux was a contributor. According to one interviewee *"the ones who were there had been quite isolated from the rest of the department"* (Interviewee - ID/IP 4).

Table 76: Employee Engagement Index – Informatics Results

Organisation	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4
	Jul07- Jan08	Jan08-Jul08	Jul08-Jan09	Jan09-Dec09	Jan10-Dec10
Civil Service	-	-	-	58.0% (Oct09)	56% (Oct10)
DoH	-	-	-	60.0% (Oct09)	55% (Oct 10)
Informatics Directorate	-	-	-	51.0% (Oct 09)	

The nature of the Civil Service staff satisfaction survey changed in the autumn of 2009. The resulting Employee Engagement Index became part of a Civil Service-wide system that enables inter-departmental comparison (see Table 76). The Employee Engagement Index considers five questions that reflect how employees speak of their organisation, are emotionally engaged with it, and are motivated by it. As the indicators changed and the methodology change (The staff survey averaged responses. The Employee Engagement Index weights responses: strongly agree 100%, agree 75%, neither agree/disagree 50%, disagree 25% and strongly disagree 0%), staff satisfaction measures cannot be compared over time. However, it can be seen that the results for the Informatics Directorate continued to be well below the DoH average, as it was in June 2009 (see Figure 38). This suggests that staff issues still remained.

As a long-standing programme, the NPfIT had already developed a PMO with a wide range of services (these are detailed in Table 77). The Informatics Directorate had a centralised PMO configuration, whereby there was one PMO that served the directorate business management and provided support to major projects. In contrast, the Workforce Directorate, discussed earlier, had a hub-and-spoke configuration whereby there was a Workforce Directorate PMO (hub) and each division had its own PMO (spoke) to support local projects (see section 4.4.1.6 above for details).

Table 77: Informatics Directorate – PMO Services

NHS CfH	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4
PMO Services	Jul07- Jan08	Jan08-Jul08	Jul08-Jan09	Jan09-Dec09	Jan10-Dec10
Project Planning	✓	✓	✓	✓	✓
Business Planning	✓	✓	✓	✓	✓
Financial Management	✓	✓	✓	✓	✓
Internal Communications	✓	✓	✓	✓	✓
Resource Management	✓	✓	✓	✓	✓
Performance Management	✓	✓	✓	✓	✓
Directorate Governance	✓	✓	✓	✓	✓
Project Assurance	✓	✓	✓	✓	✓
External Communications	✓	✓	✓	✓	✓
Learning and Knowledge	✓	✓	✓	✓	✓

A summary of the Informatics Directorate PMO services is provided in Table 77. The PMO was well established for the directorate as it had been developed over the course of about five years prior to the start of the NSRIP.

A summary of the NSR informatics project staffing is provided in Table 78. The Clinical Dashboard project existed prior to July 2007 and was carried forward into the NSRIP. However, it was reviewed after the formation of a new government and eventually closed. The HealthSpace project was also carried forward as a result of the NSRIP recommendations. The team was redesigned during phase 4 as the project moved into an operational mode. The NHS Gateway Project was launched as part of the NSRIP.

In reviewing the results, it is evident that the majority of the work of the Informatics Directorate was managed through projects. Hence, the structure of the Directorate was designed much more around programmes and projects and less around traditional Civil Service functions. As such, it was starting from a point of having pre-existing PBM capability.

For the ID/IP Organisational Unit, the self-conception of staff is of note. The NHS CfH organisation was a pseudo arm's length body accountable to the DoH. During the interviews, I observed that the permanent staff members were civil servants, although many of the individuals did not actually self-identify as such and were more management than policy oriented. There was a clear sense of *them and us*, with a distinction being drawn between civil servants and non-civil servants.

Table 78: Informatics Projects – Resource and Headcount Summary

Informatics Projects	Phase 0	Phase 1	Phase 2	Phase 3	Phase 4
Staffing	Jul07-Jan08	Jan08-Jul08	Jul08-Jan09	Jan09-Dec09	Jan10-Dec10
Dashboard Programme Director	Dave Atherton	Dave Atherton	Dave Atherton	Dave Atherton	-
HealthSpace Programme Director	James Hawkins	James Hawkins	James Hawkins	James Hawkins	James Hawkins
Gateway Programme Director	-	-	-	Sandy Scales	Sandy Scales
Clinical Dashboard Project		Initiated-Mar08			Project Closed
Contract PPM	-	2	1	1	
Permanent PPM	-	0	6	6	
Policy Civil Servants	-	0	0	0	
NHS Gateway Project			Initiated-Dec08		Closed-Apr10
Contract PPM	-	-	0	3	
Permanent PPM	-	-	3	9	
Policy Civil Servants	-	-	0	0	
HealthSpace Project					
Contract PPM	1	2	3	3	0
Permanent PPM	18	18	18	18	8
Permanent Ops	0	0	0	0	8
Policy Civil Servant	0	0	0	0	0

The following five sections identify key results from primary sources for each of the five propositions regarding the development of PBO routines in the Civil Service over the phases described above. The results are captured according to the five propositions for this study.

4.5.2 Aligning Organisational Practices of the Policy and PPM Specialists

The first proposition for this study is that PBM capability in a policy-making context is developed over time through routines that align the organisational practices of the policy-making specialists with those of the PPM specialists. The ID/IP Organisational Unit results, as with the WD/LP Organisational Unit results described earlier, describe five routines that affect how the organisational practices of the policy-making specialists are aligned with those of the PPM specialists when using PBM: *Integrating Specialist Resources*, *Understanding Accountability and Scrutiny in the Civil Service*, *Legitimising the PPM Profession*, *Tempering Project Planning for Policy-making* and *Mediating Between Policy and PPM Specialists*.

4.5.2.1 Integrating Specialist Resources

Integrating Specialist Resources was a strongly identified routine that affects how the organisational practices of the policy-making specialists are aligned with those of the PPM specialists. Within the NHS CfH organisation, there was an ongoing

reliance on consultancy to provide the project delivery skills that were not sufficiently available from the permanent workforce. In spite of the fact that NHS CfH had some of the best project delivery resources in the Civil Service and one of the largest pools of project management skilled resources across the Civil Service, they still faced this challenge.

“Our problem in a situation like this is not that we didn’t have sufficient skills and knowledge in the organisation. We probably have some of the best people in the public sector in terms of doing deliveries. However, what we don’t have is the capacity of those people to spread across multiple projects which is why we resort to contractors.”

Interviewee - ID/IP 1

As with project delivery skills, policy-making (strategy) skills suited to the informatics agenda were not sufficiently available. Consultants were also brought into these roles in support of senior decision-makers.

“I found these guys came in, took what was known within the team, and put it into a new world state. It was useful.”

Interviewee - ID/IP 7

During the early phases of the NSRIP, all three of the informatics projects faced a lack of available project delivery skills and went to market to bring in consultancy support. This brought experience and skill into the organisation, but introduced problems in that the individuals did not integrate well with the pre-existing resources.

“The decision was taken to try and speed things up by procuring a consultant for the first phase which would then lead into the second phase of Gateway. The views I was given was that we did checks on this supplier and their capability and they gave us reassurances they could do various things. When it came to it they didn’t really have the kind of capability that we expected.”

Interviewee - ID/IP 6

The routine *Integrating Specialist Resources* affects the development of PBM capability. In spite of significant existing PBM capability in the NHS CfH organisation, the Informatics Directorate / Informatics Projects team were reliant on consultancy for project delivery. Consultants played roles in policy (strategy) related roles, project management and other roles, due to a lack of available permanent staff. There are two important points made: specialist resources are required and there are not enough of them available in-house. Hence, specialist resources are critical to policy delivery and need particular attention. When specialists were employed, there was evidence that consultants did not support the existing permanent staff and policy specialists in the teams. This highlights the need to integrate specialist resources.

4.5.2.2 Understanding Accountability and Scrutiny in the Civil Service

A second routine that affected how the organisational practices of the policy-making specialists are aligned with those of the PPM specialists is *Understanding Accountability and Scrutiny in the Civil Service*. The evidence describes how incoming consultants and seconded staff had to learn the peculiarities of the NHS. One peculiarity noted is that the NHS is a collection of semi-autonomous organisational units, run by independent leaders; hence, it is difficult to agree a common direction and establish sanctions for non-compliance.

"I think the biggest delivery challenge of delivering something national like Gateway is that there are 152 Primary Care Trusts and 100 or so NHS Trusts, all with their own governance and managerial structures. From an informatics point of view, we can't just tell them. My experience of delivering things like the Summary Care Record has been that there is an awful long slog to influence and persuade them that this is the right thing to do."

Interviewee - ID/IP 8

The incoming staff members also had to appreciate and cope with the depth of central civil government financial scrutiny.

"We came under significant financial scrutiny. There is also just a general public sector department and treasury approval process that does take time. There are a lot of checks and balances in that process."

Interviewee - ID/IP 8

"We have been subject of the latest Process Review group at the Treasury. We have been to quite a few Public Account Committee hearings about the various issues that they have thrown up."

Interviewee - ID/IP 2

Further, incoming staff, including the Director General, had to develop an appreciation of the time and effort required to engage with a diverse group of stakeholders.

"There was not a full understanding of how complicated the business case justification process was within the Civil Service. She [the Director General] had expectations that things could happen quicker, that it would probably be easier to mobilise and deliver a solution quicker. It is always more difficult to get requirements agreed with the disparate, multiple, NHS governance structures and organisations."

Interviewee - ID/IP 8

There was a significant gap in the understanding of how the Civil Service organises and how it works. In spite of being interested in supporting the informatics policy agenda set before them, some of the team members were unaware of the fundamentals of policy-making in the Civil Service.

“The senior management in that directorate didn’t really understand a lot of what the civil servants needed to do. None of the senior leadership team really had any understanding about what was involved in developing policy options, preparing instructions, instructing solicitors and how time-consuming and frankly what a long lead in time there was to that work.”

Interviewee - ID/IP 4

From a staffing perspective, it was evident that there was a lack of Civil Service experience. The vast majority of the staff had little or no experience of working in policy-led areas of the Civil Service. In January 2008, only 32 people of the 1,300 staff members of NHS CfH were designated as policy specialist civil servants. This staffing mix changed little during the NSRIP. However, a structural change did occur in 2008, when Christine Connelly became directly accountable for DoH policy, DoH informatics, and NHS CfH (see Table 75). It is possible that this instigated greater understanding.

The routine *Understanding Accountability and Scrutiny in the Civil Service* was relevant to developing PBM capability during the NSRIP. There was an appreciation of the high levels of stakeholder engagement and financial scrutiny that affected policy delivery. However, there was a lack of awareness of the policy-making processes and the role of the policy-maker. Over time, although this routine was identified as relevant, it did not appear to be highly developed.

4.5.2.3 Tempering Project Planning for Policy-making

Another routine used to align the organisational practices of the policy-making specialists to those of the PPM specialists is *Tempering Project Planning for Policy-Making*. To start, interviewees noted the unique nature of policy-making.

“The nature of policy work wasn’t really understood. They weren’t doing a project with fixed milestones and deliverables, unless they were handling parliamentary questions or responding to Freedom of Information requests, which had to be drafted and agreed by a certain date. It was quite hard to explain this to non-Civil Service colleagues.”

Interviewee - ID/IP 4

Problematically, policy and PPM specialists had different expectations of planning.

“The project managers couldn’t understand why policy professionals couldn’t be more disciplined about their goals and objectives, get those signed off, work back from them and have a plan. They couldn’t appreciate or understand the very fickle and reactive nature of policy-making in a political environment, especially in Health, which is always highly charged politically and therefore has a very reactive nature. Equally, policy colleagues couldn’t see the value-added from project managers going around wanting dates on GANTT charts, when the following week they were going to get changed again.”

Interviewee - ID/IP 4

The routine *Tempering Project Planning for Policy-Making* was only mildly suggested by interviewees from this organisational unit. However, it was evident that the ID/IP Organisational Unit did not have a strong policy focus or many skilled practitioners. Instead, it was very PPM driven, which did not change significantly throughout the NSRIP. The management systems were what I would describe as project management process rich, in order to handle project management complexities. However, this approach appeared unable to cope with the subtleties of a changing policy environment. There was a call for adapting project planning to a policy environment. This was made evident when the Gateway Project was closed 18 months after initiation. In reviewing the lessons learned report, it is made clear that the policy-making context was ignored and unrealistic timelines were set as a result. The plans were not tested in context and adapted accordingly. Instead, prescribed best practices were adhered to with rigour. The Gateway Project, along with the other two Informatics Directorate projects, did not significantly develop the routine *Tempering Project Planning for Policy-making*.

4.5.2.4 Legitimising the PPM Profession

A fourth routine affecting how the organisational practices of the policy-making specialists are aligned with those of the PPM specialists is *Legitimising the PPM Profession*. NHS CfH was specifically focused on project delivery and the organisation was primarily staffed with permanent programme, and welcomed project, specialists (see Table 78). Because of the significant weighting of the PPM specialists, it was the dominant profession in NHS CfH. In contrast, the DoH did not seemingly support the PPM specialism well.

“Does DoH recognise the need for a PPM capability? Does it have a head of projects and programme management who is responsible for that discipline [specialism] across the organisation? I think the answer is no. However, we [Connecting for Health] often end up in that role because we are a big lump of expertise that sits close to the department. When necessary, we help to recover and resource projects, whether they are technology driven or not.”

Interviewee - ID/IP 1

From a departmental capability perspective, the routine *Legitimising the PPM Profession* was relevant, but not developed. From an ID/IP Organisational Unit perspective, this routine was even more relevant and developed to a much greater

extent. However, it needs to be noted that a greater portion of the work of NHS CfH was project-based.

4.5.2.5 Mediating Between Policy and PPM Specialists

The last identified routine affecting how the organisational practices of the policy-making specialists are aligned with those of the PPM specialists is *Mediating between Policy and PPM Specialists*. Individuals with these different specialisms, not surprisingly, have particular ways of thinking and working.

It was recognised that both PPM and policy specialists had something useful to offer to policy delivery and that collaboration is important.

“The project people we bring in from outside under contract are far more innovative in their ways of thinking and yet they are less able to produce what the department needs. That is where the civil servants come in. If they could only harness each other’s carriages we should be more successful.”

Interviewee - ID/IP 2

The PPM specialism was very strongly represented in the ID/IP Organisational Unit, while the policy specialism was relatively weak, with very low participation and the absence of a designated policy lead in one instance.

“The policy-making function was very, very weak in the directorate because they didn’t have enough staff. The staff that they had didn’t always have the right skills. Some did, some didn’t. If I am looking across the 30, I am not saying it was a weak team across the board, there weren’t as many outstanding individuals as I would normally expect in other policy teams.”

Interviewee - ID/IP 4

During the NSRIP, there is not evidence of a management mechanism to bolster policy input to complement the strong PPM input.

“The organisational structure in the DoH does not mirror what we do. What the DoH seems to struggle with is when there are cross-cutting issues the policy leads tend to be quite siloed into their particular area of interest.”

Interviewee - ID/IP 1

The imbalance between PPM and policy specialisms had negative consequences.

“We weren’t addressing the fundamental policy problem of “How do we engineer an information revolution by creating a market for information, handling the media, and put out information to the public in all these different formats?” Instead, we were worried about our governance model and our project structures.”

Interviewee - ID/IP 4

Mediating between Policy and PPM Specialists was identified as a routine that affects how the organisational practices of the policy-making specialists are aligned with those of the PPM specialists. PBM in the ID/IP Organisational Unit emphasised the PPM specialists, but neglected to mediate between this strength and the need for strong policy specialists in a Civil Service context. There was no evidence of a change or improvement in this imbalance during the NSRIP. This led to a high level of focus on PPM issues with limited attention to policy issues.

4.5.3 *Effective Negotiation of Value and Purpose*

The second proposition for this study is that PBM capability in a policy-making context is developed over time through routines that enable value and purpose to be effectively negotiated across temporal and organisational boundaries. The results identify three routines that affected the negotiation of value and purpose: *Building a Compelling Narrative*, *Developing Benefit Realisation Management* and *Establishing and Maintaining a Mandate*.

4.5.3.1 *Building a Compelling Narrative*

The first routine affecting how value and purpose is effectively negotiated is *Building a Compelling Narrative*. The development of narratives is fundamental to policy-making. The narrative for the informatics projects evolved out of work that pre-dated the NSRIP, including the White Paper “High Quality Care for All”. However, this was developed further with the direct input of the Director General and one of her SCSs.

“The Director General was involved with it completely, along with one Senior Civil Servant leading. The Senior Civil Servant had vast amounts of experience, having run White Paper teams.”

Interviewee - ID/IP 2

The efforts to improve and clarify the informatics narrative were not entirely successful. The new narrative for informatics was unclear and did not come through strongly, not even to internal staff members.

“So many of them saw this as a technical project to improve clinical coding and do all sorts of things that you would need to do to improve the quality of information, which is important, but they didn’t get the policy position. This was a major White Paper related piece of policy that ministers wanted – they used phrases like the ‘Information Revolution’, but what might this mean?”

Interviewee - ID/IP 3

“It seems the whole area was shrouded in mystery.”

Interviewee - ID/IP 4

The weak narrative was true historically for the NPfIT overall, which pre-dated the NSRIP. Because the narrative was weak, outsiders resorted to assessing the value of the informatics projects using simple time and cost factors without a deep

consideration of policy objectives or political imperatives. Without a narrative to put the time and cost in context, external commentators frequently described the large expenditure and long timeline of the project as being a failure.

“People who have never been involved seem only too willing to talk about it as if they know. People talk about it in the press, I read an article a couple of months ago, someone saying what a failure it is and what an exemplar it is for how projects shouldn’t be run.”

Interviewee - ID/IP 3

The weak narrative of the informatics projects was noted during the NSRIP, and efforts were made to improve upon the account of informatics policy by attempting to clarify the vision for the informatics projects.

“I think there was a misunderstanding of what the scope was and different stakeholders had a different view of the vision. I think this caused a problem with managing the [consultants]. When I became involved, the first meeting I went to was a meeting with all of the stakeholders to clarify the vision, which just underlines the fact that there was a lack of agreement.”

Interviewee - ID/IP 5

The routine *Building a Compelling Narrative* was considered in the ID/IP Organisational Unit. However, it was under-developed. As team members’ awareness of this routine increased, the informatics projects were reviewed and repositioned. Noteworthy: one of the projects initiated by the NSRIP was cancelled after 18 months without delivering anything meaningful (see Table 75).

4.5.3.2 Developing Benefit Management Realisation

Developing Benefit Management Realisation was another routine identified by ID/IP Organisational Unit interviewees, which was relevant to negotiating value and purpose across temporal and organisational boundaries. Early in the NSRIP, there was an awareness of benefits and the need for ensuring benefits are realised. The business case was one tool that was identified as an aid.

“Creating a business case is a kind of an art in itself and a very skilled art if you are going to take in wider socio-economic benefits, not just [the benefits of] efficiencies in processing data [...] electronically.”

Interviewee - ID/IP 3

At the start of the informatics projects, prototypes and pilots were tools used by the Clinical Dashboard project to observe and describe benefits.

“Darzi was keen that in his initial Next Stage Review report that there was some level of intelligence about whether these things actually worked before he made a commitment. They built prototype clinical dashboards and observed the benefits of building them and having the data available. Within the timeframe that they had, you wouldn’t see the long-term benefit over time. A pilot project was then commissioned to take the basic learnings from the prototype and look at the applicability more widely in the NHS.”

Interviewee - ID/IP 5

However, these tools (i.e. business case, pilots and prototypes) were not sufficiently effective in ensuring benefits were realised for the informatics projects.

“Gateway was one project that wasn’t in a very good state. I recognised quite early on that the outline business case did not really reflect the top down changes required. There had been a request down the reporting line to deliver something quicker. The business case had been updated in a commercial sense, but not the actual benefit delivery sense. There were still problems in that area.”

Interviewee - ID/IP 8

From June 2009, there was an initiative to scrutinise projects across NHS CfH, ensuring that projects delivered value and came to an end rather than lingering unnecessarily. This encompassed the informatics projects as well.

“What we were trying to do was to create a cultural shift in the organisation that said you are projects and programmes, you are by your very nature time limited. We were trying to re-invigorate those bits of the organisation that just seemed to think, “Okay we have got some money left this year, let’s build another extension onto this system that does something else.” That was a function of things that grew up over multiple years.”

Interviewee - ID/IP 3

The interest in developing a culture of benefit realisation, in part, fuelled a review of all projects including the NSRIP. In February 2010, there was an OGC Gateway Review™ of the Gateway project, one of the three informatics projects, which led to its closure. This review demonstrated an awareness of benefits realisation.

“We took an options appraisal to the programme board in April and sought their acceptance of our recommendation to close the project, as there was little chance of achieving the level of benefit required to get a return on the investment regardless of the timeframe.”

Interviewee - ID/IP 6

The ID/IP Organisational Unit identified the importance of the routine *Developing Benefit Management Realisation*. During the NSRIP, in spite of some challenges, this routine was identified and developed somewhat over time. However, there is no evidence that it became a strong routine.

4.5.3.3 Establishing and Maintaining a Mandate

The information project interviewees identified *Establishing and Maintaining a Mandate* as a routine that allows value and purpose to be effectively negotiated across temporal and organisational boundaries. This routine was perceived to be critical to maintaining focus and delivering successfully.

"We had a view about what ministers wanted to achieve through this piece of work. Then there was the consultation and White Paper, which was quite political, and policy focused. Then there was the detailed technical work that needed to go on to underpin that. These ultimately needed to be a part of the overarching programme, but it was just how do you package it and present it. Which is the primary short-term driver for the work?"

Interviewee - ID/IP 4

The development of the informatics project's mandate was inextricably linked to discussions with senior decision-makers, in this case ministers and executives of the DoH and NHS. These relationships were complex, with individuals representing a wide array of stakeholders and agendas.

"Because of the work I have been doing over the last 18 months or so, I have developed much closer links with people in DoH at senior level. I have a better understanding of the interface between ministers, the DoH and the top of the NHS. It is quite a complex one."

Interviewee - ID/IP 1

Because of the complexities, it was noted by interviewees that throughout the NSRIP, the Director General took a very active role in managing the mandate for the information projects. The strength of this role, and of the individual in this role, was required.

"She [the Director General] used her expertise as much as anybody else's. She is able to write papers that ministers understand outright. The expertise barrel that she dipped in was largely her own."

Interviewee - ID/IP 2

Establishing a mandate was difficult, but achieved, at least to some degree, with the involvement of the Director General. Nonetheless, maintaining it over time was challenging. During the NSRIP, a new Health Minister was appointed from June 2009 to April 2010. He, unlike his predecessor, was very critical of the informatics projects. This ongoing criticism led to adjustments to the mandate. The continual changes had a negatively affect on the team's ability to complete work, as the rules were unclear and fluid.

"We had Mike O'Brien as one of the Health Ministers. His opening position when he became a minister was, "Well, why should we not stop doing this? It's ethereal." He had seen media reports and taken them as the truth. He may have been terribly clever in just trying to provoke a discussion, but my impression was he genuinely didn't understand what we had achieved and thought that it was just a basket case programme that should be scrapped. It is very difficult for the politicians to maintain support for something that is so heavily criticised in the media."

Interviewee - ID/IP 3

After the election in 2010, there was again a change in political direction. Not surprisingly, the mandate shifted again.

"What Labour had was the Darzi report on information, but nothing had ever really been done with it. There wasn't a clear vision for the role of information. Whereas, in opposition, the Conservative Party had written a number of documents setting out quite a clear and compelling vision. The Darzi report, after the election, became overtaken by events. In terms of its status, it became just something that the previous government had produced. The focus was on going out to consultation and establishing a clear vision for the new government's information strategy. We were no longer delivering the Darzi vision. Bits of it would be relevant, but as a policy statement it was no longer valid."

Interviewee - ID/IP 4

The ID/IP Organisational Unit understood the need for the routine *Establishing and Maintaining a Mandate* in order to maintain focus. Given the perceived importance and complexity of this routine during the NSRIP, the Director General herself was involved. The routine was developed, but struggled to respond to the changing political context. There was a lack of clarity in the informatics policy and associated projects as a result.

4.5.4 Flexible Use of Resources

The third proposition for this study is that PBM capability in a policy-making context is developed over time through routines that enable the flexible use of resources. The results of the ID/IP Organisational Unit identify three routines affecting the flexible use of resources: *Integrating Business Planning across Organisational Units*, *Developing Robust PMO Services* and *Developing a Culture of Continuous Improvement*.

4.5.4.1 Integrating Business Planning Across Organisational Units

Integrated Business Planning across Organisational Units was the first routine identified as relevant to the flexible use of resources. Interviewees noted that the business planning processes needed to cover the entire portfolio of work across organisational boundaries in order to understand priorities and the resources being applied to them.

“It is a portfolio management process, and this is about more than IT. It is about the whole spectrum of work because there are lots of projects going on within the DoH that have virtually no technical component. The idea is to look at the work that you are doing, have a broad order of priority in that work and have a resource requirement that sits alongside.”

Interviewee - ID/IP 1

Preceding the timeframe of the NSRIP, the DoH did not have the kind of holistic business planning that was identified. Instead, resources were allocated from the centre to directorates to divisions without significant consideration for priorities and changing circumstances in-year. The simplistic annual allocation process circumvented integrated discussion about project priorities across directorates and divisions, and the alignment of key resources.

“As a department, we have a business planning process that is a once a year thing and doesn’t have the capacity to flex in-year resources very effectively. What the department historically hasn’t done well is reprioritise and reallocate resources very effectively when new things come up. We have got people embedded in structures. It is often to do with HR rules and not being able to move staff and all the rest of it. We have 2,500 staff and you can count on the fingers of one hand most of the policy teams working on key elements of the bill. Yet, we just don’t seem to be able to get good people into those teams quickly for a really high priority piece of work that ministers’ whole policy is hanging on.”

Interviewee - ID/IP 4

During the NSRIP, NHS CfH had several mechanisms that helped to integrate business planning across projects including the informatics projects. One of these mechanisms was the Delivery Team Meeting for the leaders of the organisation that was used to discuss and co-ordinate across NHS CfH.

“There was the weekly Delivery Team Meeting with the Group Programme Directors, a tactical session rather than a strategic one. There were two aspects to it: keeping a general level of awareness of what is going on across the whole organisation and a specific focus on if there are problems or issues then the group can contribute to discussions on ways to solve those.”

Interviewee - ID/IP 1

Active management of the business plan allowed resources to be redeployed as priorities shifted. This was used to initiate as well as close down projects earlier than originally planned. This was significant as closing down projects requires targeted management interventions, which suggests a heightened business planning regime.

“The programme board accepted that recommendation. We immediately began to close down facilities of the programme. We then led the team through the process of closing this programme down in terms of managing suppliers to a close and redeploying staff into alternative roles in the organisation.”

Interviewee - ID/IP 6

During the NSRIP, *Integrating Business Planning across Organisational Units* was a relatively established routine across the ID/IP Organisational Unit. This routine was used to continually review business priorities, flexibly deploy staff as priorities changed, and close down a project. However, it was not clear that there was a strong alignment with policy-making activities and priorities.

4.5.4.2 Developing Robust PMO Services

Developing Robust PMO Services was the second routine identified as relevant to the flexible use of resources. The configuration of PMOs was multi-layered, with three PMOs affecting the ID/IP Organisational Unit. The first was a corporate Centre of Excellence (CoE) for PPM. During the early phase, there was a second PMO for the overall NSRIP that supported David Nicolson, Permanent Secretary NHS, as the overall sponsor of the NSRIP. Finally, NHS CfH had its own PMO that served all of the programme and projects across NHS CfH (including the ID/IP Organisational Unit).

The involvement of the corporate CoE for PPM was limited to providing some basic corporate information services, such as providing project management software, collaboration systems, and a finance information system across the DoH.

“Corporate infrastructure, at a mundane level, includes network capability, Microsoft Office, SharePoint, Microsoft Project and we have something called Primavera, which is an enterprise-wide planning and reporting system. We have the finance systems in place as well.”

Interviewee - ID/IP 1

The NSRIP PMO, while it existed during the early phases of the NSRIP, focused on reporting progress of the programme. There was little evidence that it directly supported or aided the informatics project teams in developing PBM capability.

“In mid 2008, the NSRIP Office was still in operation. Within each directorate, there is an information office which is there to be a quick response team when we need to provide stats for ministerial briefings, that kind of thing.”

Interviewee - ID/IP 1

The NHS CfH PMO provided much more significant services. Between 2008 and 2010, it had developed a robust set of services (see Table 77 for a summary) available to NHS CfH and the ID/IP Organisational Unit. The latter heavily relied upon these services, as it did not have its own local PMO for support.

“There was a fairly well defined set of processes and templates and toolkits within Connecting for Health. As far as possible, we used what already existed. Where necessary, we adapted or created new. If you are talking about business cases, project initiation documents, project plans, risk logs, and similar stuff, it is all pre-canned. You just put your data into it.”

Interviewee - ID/IP 5

The strength of the NHS CfH PMO services was evident from the maturity and rigour of its project initiation process. The PMO was very actively involved and provided significant support to projects.

“Typically we mobilise a team to take the new work forward. At that time, it would be a matter of kicking it off with someone internal to lead it initially, but then quickly mobilising external contractor resources, depending on the profile of work. We would then go through a process of putting in place all the disciplines around governance and project controls and documentation then start to develop the propositions and take them through that governance process.”

Interviewee - ID/IP 1

The maturity of the NHS CfH PMO services was also exemplified by the fact that the PMO was a producer of good practices (in this case for project closure), which it made available to other departments across the Civil Service.

“We were one of the first to do a programme closure review. The intention is that the review would be done at the point where the decision to close is made. It will help you evaluate and put in place the right processes for closure. We offered to take part in that to get a better view on how we would do a programme closure, but also to help OGC establish a new process.”

Interviewee - ID/IP 6

Although the NHS CfH PMO provided a robust set of services, it continued to rely upon the corporate DoH HR for recruitment. This was a functional (FBO) organisation that was not adapted for PBM. Their processes were slow, lingering and did not support flexibility very well.

“The resourcing process, as a whole, is quite a frustrating process because you are desperate to try and get on with the actual work, but the length of time it takes to get suitable people into post is something of a difficulty.”

Interviewee - ID/IP 5

The routine *Developing Robust PMO Services* was identified as relevant by interviewees. For the ID/IP Organisational Unit there were three relevant PMOs: the Corporate CoE for PPM, the NSRIP PMO, and the NHS CfH PMO.

The Corporate CoE for PPM had a mandate for providing relevant DoH-wide services and supported the information projects by providing corporate information systems. Logic would suggest that the CoE might be involved with adapting corporate HR services for PBM, but this was not the case.

The NSRIP PMO did not provide significant direct support to the ID/IP Organisational Unit, but did offer some co-ordinating and reporting mechanisms. However, it did not recognise the need for providing services that helped the ID/IP Organisational Unit.

NHS CfH had a centralised PMO configuration, versus the hub-and-spoke configuration used by the Workforce Directorate, which supported all the projects within its portfolio, including the projects in the WD/LP Organisational Unit. The NHS CfH PMO was in existence for a considerable period of time and had a chance to develop and establish a wide range of services. These were quite strong and were developed to a point that the PMO was even providing guidance on good practice to other Departments across Whitehall.

4.5.4.3 Developing a Culture of Continuous Improvement

Developing a Culture of Continuous Improvement was the third routine identified, albeit only in an indirect fashion, as relevant to the flexible use of resources. To illustrate how it was identified, the interviewees made a connection between flexibility and the speed of change.

“Flexibility is a huge capability that is much underrated. People get very stuck in their ways. We are involved in many things. Flexibility is really important in the current climate because it is changing so quickly.”

Interviewee - ID/IP 2

Interviewees also recognised the relevance of using learning to further improvements. A particular mechanism that NHS CfH used was a ‘lessons learned’ process. Learnings were identified, discussed, and then formally captured for use by others.

“One of the things that we talked about when we did the lessons learned at the end of the programme was different ways that you would actually spend more time assessing the capability of the suppliers.”

Interviewee - ID/IP 6

The routine *Developing a Culture of Continuous Improvement* was inferred by the interviewees’ descriptions of change and lessons learned processes, and the link to flexibility. The routine appeared to be at least partially active, but it is not clear if it was fully developed.

4.5.5 Public Review and Scrutiny

The fourth proposition for this study is that PBM capability in a policy-making context is developed over time through routines that Integrate Public Review and Scrutiny into Policy-Project Implementation. The results from the informatics projects identify three routines relevant to this proposition: *Establishing a*

Management Framework, Developing SROs Experienced in Civil Service PBM and Leading and Motivating Teams during Rapid Change.

4.5.5.1 Establishing a Management Framework

Establishing a Management Framework was the first routine identified for this proposition. During the NSRIP, NHS CfH had a management framework designed around managing a portfolio of projects that developed over time. Practices, templates and tools were captured in the *Delivery Framework* and shared on the intranet.

“We have made an effort to try and formalise our best practice in something called the Delivery Framework which is essentially a set of guidance around how we do programmes and projects which is available on the intranet to all staff. That is not something that we created overnight. It was built up over time and it is still evolving and will continue to evolve. It is not a project management methodology. It is a series of check lists, bits of guidance on things like preparing for OGC Gateway Reviews, examples of things that have been successful in the past and tools for making sure that you are running the project in the right way so that the Gateway review is not an issue.”

Interviewee - ID/IP 1

The Delivery Framework promoted common structures and approaches for prescribed best practices such as programme governance, risk management and reporting.

“Informatics had excellent programme managers, excellent discipline. The Senior Management Team had action logs that were reviewed. It was a very programme management culture so it was very good in that respect.”

Interviewee - ID/IP 4

However, the Delivery Framework had at least one major deficiency. It was not sufficiently explicit about leadership accountabilities and relationships to policy-making.

“First and foremost it is a leadership issue, someone has to be accountable. Whilst I could show you what I am accountable for, what my programme heads are accountable for, I can’t necessarily point to an opposite number in DoH, for each of those programmes, who will be accountable. We attempt to reach consensus in the absence of leadership.”

Interviewee - ID/IP 1

As a result, the established management approaches did not cope well with the policy context nor was it able to adapt quickly enough to political shifts. Normalised project management best practices, such as risk management, were employed, but these were not sufficient.

“At times the management approach missed some of the subtleties. If something wasn’t on the risk register, it wouldn’t get discussed. It was almost like a purism that was taken too far and wasn’t tempered with the reality and the handling.”

Interviewee - ID/IP 4

Nearing the end of the NSRIP, the NHS CfH leadership recognised that the management approaches had shortcomings. There was a desire to adapt them, although it is not evident that the leadership was clear on how to solve the challenges. They were overtaken by the demands of changing governments and did not progress further.

“We never succeeded in restructuring. We got overtaken by events, pre-election briefing. As soon as the election was over, we knew that the new coalition Government – in particular with Andrew Lansley as Secretary of State – had a very big agenda around information. We were into starting to draft an information strategy, the consultation. We never really had the time to reflect, re-plan, reorganise.”

Interviewee - ID/IP 4

The ID/IP Organisational Unit acknowledged the routine *Establishing a Management Framework* during the NSRIP. There was an adherence to the normalised set of prescribed best practices for PPM such as reporting, programme governance and risk management. However, the management framework did not make explicit links to policy-making best practices. This programme and project-centric framework was insufficient to fully cope with the realities of the Civil Service, such as changes in policy direction and governments. Although the leadership team recognised the challenges and began to consider how to adapt, they did not complete this work and were overtaken by the very challenge they were attempting to cope with, changes in the political context. This routine was identified and partially developed, but it was not fully established.

4.5.5.2 Developing SROs Experienced in Civil Service PBM

The second identified routine that was relevant to effectively integrating public review and scrutiny into policy-project implementation was *Developing SROs Experienced in Civil Service PBM*. This routine was relevant as a large part of the business of the DoH was functional-based and not project-based, with many of the management systems built around FBO rather than PBO. Senior Responsible Owners (SROs) needed to navigate the issues associated with this scenario. Particular Civil Service experiences were called for. Generally, it is the SCSs who act as Senior Responsible Owners of programmes and projects. As such, it is presumed that SCSs can lead policy initiatives from development through to implementation (policy-projects) and finally to maintenance.

“The (DoH) transition project wanted project office resources. The individual also needed to be able to fill in the gaps that the programme director had because the programme director had never delivered a programme of any description, didn’t understand what project controls were. However, they hadn’t got to be seen to be usurping the role of the programme director.”

Interviewee - ID/IP 1

In the DoH, the lack of skill and knowledge of the SCS in PBM led to inappropriate policy commitments being made, particularly when the projects IT enabled.

“I can think of occasions when policy commitments have been made to ministers and the policy professionals are then on the hook to deliver those. After commitments have been made, they suddenly realise that they are going to need some technology to deliver the policy. They realise they need a commercial framework to deliver. They think, “Let’s go and talk to Connecting for Health”. And we say, “That’s going to take years and cost you millions.” They’re thinking, “Oh we haven’t got any money and we need it in six weeks” or whatever. That kind of situation has happened a lot over the last couple of years.”

Interviewee - ID/IP 1

In the DoH, there was some basic PPM training available to SCSs. However, this training was not adapted to the development needs of the Senior Civil Service.

“Senior Civil Servant developing should certainly include some level of programme training. What that tends to be, when you see it, is people have done the PRINCE2 course or a Managing Successful Programmes course and both of those things are great, but they are probably not what a Senior Civil Servant needs in terms of the understanding of basic disciplines around having a plan, having milestones, tracking against them, tracking costs, making sure there is appropriate governance around decisions, all that kind of thing.”

Interviewee - ID/IP 1

Developing SROs Experienced in Civil Service PBM was identified as a routine relevant to effectively integrating public review and scrutiny into policy-project implementation. The SCSs are the leaders of the DoH. They are expected to lead both policy development and policy implementation. However, the ability to lead policy implementation often requires particular PPM skills, specific to large complex endeavours. There is evidence that senior leaders had PBM experience, but less so in a Civil Service context. Overall, I believe there was an awareness of this routine, but it was not strongly developed.

4.5.5.3 Leading and Motivating Teams during Rapid Change

The third routine that was relevant to effectively integrating public review and scrutiny into policy-project implementation was *Leading and Motivating Teams during Rapid Change*. This routine was important in that FBO line management arrangements were affected by project reporting relationships (i.e. matrix

management). In the rapidly changing environment, reporting arrangements were confused and this created tensions.

“Some of the people in that team were effectively only loaned to me and in practice had line management arrangements with other members of the senior management team. These other individuals would be their substantive bosses after this was all finished. So you have got a natural tension there.”

Interviewee - ID/IP 4

The impact of the line manager (team leader) on team motivation was recognised and many of the interviewees discussed their concerns. Midway through the NSRIP, staff morale was low for some informatics project teams due to conflicting steers and inattentive line management.

“I joined the team during difficult circumstances. The team were very low in terms of motivation, as they had just got this red review. There was a contractor in place at the time that was acting. He wasn’t a leader or a manager of individuals, which didn’t contribute to the skills of the team being used adequately. None of them had objectives set for their personal development reviews, none of them were clear about their roles and they were just given a lot of ad hoc things to do.”

Interviewee - ID/IP 6

The fragile line management structures broke when the General Manager called for a significant project change. The team was unable to cope and subsequently one of the informatics projects was abandoned.

“I think the trigger was when a plan was presented up to Christine. The directive was: no, timelines are not acceptable, deliver something, and get some resources to do it. I knew that was a trigger point of it all going a bit wrong. The whole team structure was not geared up to do the appropriate realignment of the programme at that point.”

Interviewee - ID/IP 8

During the NSRIP, there was an awareness of the routine *Leading and Motivating Teams during Rapid Change*. Some effort was made to support and improve team line management. However, the team leadership was extremely fragile and was not resilient to change.

4.5.6 Learning from Other Civil Service PBM Experiences

The fifth proposition for this study is that PBM capability in a policy-making context is developed over time through learning routines that exploit the skills and knowledge of PBM from other Civil Service experiences. Three routines that affected the development of learning routines included: *Developing Individual Careers*, *Integrating PBM with Corporate Learning System*, and *Developing Directorate Learning Systems*.

4.5.6.1 Developing Individual Careers

Developing Individual Careers was the first routine identified for this proposition. At the beginning of the NSRIP, the pace was very hectic. People were expected to come into their jobs with the necessary skills and be able to contribute immediately.

“As a whole, the senior leadership team started to get it and realised how big and important it was. Resource was freed up, but by then we were into quite pressured timelines.”

Interviewee - ID/IP 1

Individuals were skilled in project management. However, there were knowledge and experience deficiencies related to understanding how the DoH operates and how policy-making is done.

“We had people who were very capable as individuals, but we had to try and mould a team where they didn’t really know their way round the department. They didn’t really know how to do the policy-making element of it, but were very keen to try to learn. It wasn’t the time to be vetting new people.”

Interviewee - ID/IP 1

The experience profile of the interviewees suggests that the pool of resources in the ID/IP Organisational Unit had limited experience in the DoH and very limited experience in the Civil Service (see Table 72).

Table 79: Informatics Projects – Experience in Sectors

n=8	Private and Other	Other Civil Service	DoH	All Sectors
Years	13.3	0.8	6.6	20.6
Ratio	64%	4%	32%	100%

The eight interviewees for this study had, on average, 13.3 years experience in private and other sectors, 0.8 years experience in other Civil Service departments, and 6.6 years in the DoH. The last two numbers, although low already, may over-represent experiences as the average experience in other Civil Service departments was skewed upward by two interviewees and the experience in the DoH was strongly skewed upward by one individual.

To support individual career development and learning from other experiences, the NHS CfH PMO developed an induction package for staff and hosted an induction day. These provided an overview of the NSRIP, Informatics Projects and basic information about the tools available to staff (see Appendix 23: Project 3 - Informatics Projects - Staff Development for details). Key leaders and experienced managers were involved with developing and delivering induction programmes.

“It was a day long induction, run monthly, where we would, where we took people through background to the organisation, what our corporate values were, what we were trying to achieve, how we worked and some of the more practical stuff about if there are problems that you need to sort out, who to speak to, that kind of thing. There was also a corporate induction day.”

Interviewee - ID/IP 1

Staff members were given an opportunity to learn on the job as part of their career development. This contributed to PBM capability development, as future projects would benefit from the development of these individuals.

“The person they brought in was, from a perspective of managing programmes, a grade lower than the job was, but it was a chance for that individual to shine and step up and move into that role.”

Interviewee - ID/IP 7

Developing Individual Careers was identified as a routine that exploits the skills and knowledge of PBM from other Civil Service experiences. NHS CfH was highly projectised, whereby most of its work was managed through projects. It had developed a resource pool with a high level of project management skill. In spite of this, NHS CfH had resource shortages (see additional detail in section 4.5.6.1 above) and particular deficiencies in knowledge and experience in the DoH and policy-making. During the NSRIP, the team (programme) managers led induction processes and on the job development as mechanisms for improving skills and knowledge for the resources in the IP/ID Organisational Unit. This routine was identified at the start of the NSRIP and it continued to be developed throughout.

4.5.6.2 Developing Directorate Learning Systems

The second identified routine that was relevant to exploiting the skills and knowledge of PBM from other Civil Service experiences was *Developing Directorate Learning Systems*. The NHS CfH PMO, as the directorate PMO, developed learning systems. One component of the directorate learning system that pre-dated the NSRIP was effective staff redeployment, as a means of retaining knowledge.

“When we were doing the deployment exercise, I had a one to one with the permanent staff to talk about their skill and interests. Roughly half the Clinical Dashboard team stayed with the Connecting for Health. Some of the staff went to the HealthSpace Programme which was another of the NSR Projects.”

Interviewee - ID/IP 4

Rigorous staff reviews during probation, was another mechanism that was part of the NHS CfH PMO's (directorate) learning system.

“People went through their probation period and had reviews at set intervals for six, twelve, eighteen, twenty four weeks something like that and that took the form of a discussion and a set of objectives and discussion around achievement of those objectives before people went into the normal annual development cycle.”

Interviewee - ID/IP 3

Also, the NHS CfH have a lessons learned process which feeds into the Delivery Framework (as introduced in section 4.5.5.1.)

“We have developed a lessons learned piece about how to deal with the financial aspects of closure, in particular if we have pre-assignment. We had some real problems dealing with that because it was something that hadn’t been handled before. We documented that and got finance to sign it off so that we don’t have problems again in the future.”

Interviewee - ID/IP 6

Developing Directorate Learning Systems was identified as a routine that exploits the skills and knowledge of PBM from other Civil Service experiences. Mechanisms that were part of the learning system included staff redeployment, rigorous staff reviews during probation, and lessons learned. This routine was in use at the start of the NSRIP and continued to develop during the programme.

4.5.6.3 Integrating PBM with Corporate Learning Systems

The third routine that was relevant to exploiting the skills and knowledge of PBM from other Civil Service experiences was *Integrating PBM with Corporate Learning Systems*. For this routine, it is important to restate the operational model of the ID/IP Organisational Unit as introduced in section 4.5.1.1 Pre-NSR Review. It was embedded within NHS CfH, with policy support coming from the DoH Informatics Directorate. NHS CfH management systems were not highly integrated with those of the DoH as it operated as a pseudo-arm’s length body (non-departmental public body).

The NHS CfH leadership did not find any value in the corporate learning systems of DoH relating to PBM and programme management. As a result, the NHS CfH leadership looked elsewhere. Prior to the NSRIP, the NHS CfH leadership established formal learning mechanisms with NHS (corporate) organisations, such as the NHS Institute and NHS Information Centre, and the NHS Improvement.

“We were very well connected with the NHS Institute, the NHS Information Centre, and the NHS Improvement. The NHS Information Centre was good on metrication and the process that you could go through to try to identify what metrics should be. We learnt a lot from them. Indeed we passed information back to them on what we had done.”

Interviewee - ID/IP 5

Partway through the NSRIP, a community of practice called the ‘Delivery Forum’ was developed as part of the NHS CfH corporate learning system.

“In 2010, we initiated something called the Delivery Forum which is essentially an opportunity for every person leading a project or programme to get together. We discuss either items of common interest or have one project present what they are doing and their challenges, with a discussion around those.”

Interviewee - ID/IP 3

The NHS CfH leadership tried to establish a staff exchange programme with the Ministry of Defence as a way of learning from Other Civil Service PBM experiences.

“We tried to set up an exchange programme with the Ministry of Defence because we are working with them on linking defence medical systems to NHS systems. They struggle in the way that we do to find good project staff. We had a notion of trying to circulate people between the two organisations when they were at a particular level in order to give them exposure to a completely different environment.”

Interviewee - ID/IP 3

NHS CfH managers were discussing how they might influence the definition of a policy skills framework, and the PPM skills framework as part of the Professional Skills Framework, with the Cabinet Office, although nothing conclusive was initiated.

“How do you professionalise policy-making? I think there has got to be a question about the fundamental objectives of policy-making and therefore what the role is that project and programme management can play to that end rather than being an end in itself.”

Interviewee - ID/IP 3

The routine *Integrating PBM with Corporate Learning Systems* was identified by interviewees as relevant to exploiting the skills and knowledge of PBM from other Civil Service experiences. During the NSRIP, knowledge exchanges between NHS CfH and other NHS organisations and an internal Community of Practice were in place. A staff exchange programme and recommended changes to the Cabinet Office’s Professional Skills Framework were explored during the NSRIP. This routine was established at the start of the NSRIP and continued to develop throughout. Its strength was limited by the weak corporate learning systems in the DoH.

4.5.7 Synthesis of Informatics Projects Findings

The results from the Informatics Directorate/Informatics Project sources provide insights into the development of PBM capability during the initial phases of the NSRIP, between 2007 and 2010, within the Informatics Directorate and NHS CfH. The insights are derived from analysing semi-structured interviews with

executives, PMOs, policy-makers and programme managers, and from corporate sources.

The results provide evidence of the usage of 17 routines by the ID/IP Organisational Unit. The results trace the development of PBO routines, an organisational unit that manages most of its work through projects and has done so for many years. An assessment of the level of development of the identified routines at the beginning and end of the NSRIP is provided in Table 80, on the following page.

Table 80: ID/IP Organisational Unit – PBO Routines over Time

PBM Capability Development Proposition	PBO Routines	Level of Development (weak, medium, strong)	
		Phase 0	Phase 4
P1 – Routines that Align the Organisational Practices of the Policy-making Specialists with those of the PPM Specialists	<ul style="list-style-type: none"> Integrating Specialist Resources Mediating between Policy and PPM Specialists Tempering Project Planning for Policy-makers Legitimising the PPM Profession Understanding Accountability and Scrutiny in the Civil Service 	Medium Weak Weak High Weak	Medium Weak Weak High Weak
P2 – Routines that Enable Value and Purpose to be Effectively Negotiated across Temporal and Organisational Boundaries	<ul style="list-style-type: none"> Developing Benefit Realisation Management Building a Compelling Narrative Establishing and Maintaining a Mandate 	Weak Weak Medium	Medium Weak Medium
P3 – Routines that Enable the Flexible Use of Resources	<ul style="list-style-type: none"> Integrating Business Planning across Organisational Units Developing Robust PMO Services Developing a Culture of Continuous Improvement 	Medium High Medium	Medium High Medium
P4 – Routines that Integrate Public Review and Scrutiny into Policy-Project Implementation	<ul style="list-style-type: none"> Establishing a Management Framework Developing SROs Experienced in Civil Service PBM Leading and Motivating Teams during Rapid Change 	Medium Medium Weak	Medium Medium Weak
P5 – Routines that Exploit the Skills and Knowledge of PBM from other Civil Service Experiences	<ul style="list-style-type: none"> Developing Individual Careers Developing Directorate Learning Systems Integrating PBM with Corporate Learning Systems 	Medium Medium Medium	High High Medium

Five of the routines were established and strongly developed: Legitimising the PPM Profession, Developing Robust PMO Services, Establishing a Management Framework, Developing Individual Careers and Developing Directorate Learning Systems. The others were not strongly developed, even after many years of NHS CfH operating projects. Of the 17 routines, three strengthened during the NSRIP: Developing Benefit Realisation Management, Developing Individual Careers and Developing Directorate Learning Systems. Four routines were weak at the beginning of the NSRIP and remained weak at the end: Mediating between Policy and PPM Specialists, Tempering Project Planning for Policy-makers, Understanding Accountability and Scrutiny in the Civil Service, and Leading and Motivating Teams during Rapid Change.

As a means of considering the development of PBM capability over time from the perspective of five distinctive challenges of PBM in the Civil Service, each of the five propositions was supported as follows during the NSRIP:

Proposition 1: The study identified five routines that served to align the organisational practices of the policy-making profession. None of the routines identified strengthened over the period. The routines *Legitimising the PPM Profession* and *Integrating Specialist Resources* were stronger to begin with, while the routines *Integrating Specialist Resources*, *Tempering Project Planning for Policy-makers* and *Understanding Accountability and Scrutiny in the Civil Service* were weak and did not develop over time.

Proposition 2: The study identified three routines that served to allow value and purpose to be negotiated over time. None of the routines was strongly developed, although *Defining Benefit Realisation Management* and *Establishing and Maintaining a Mandate* were developed over time. *Building a Compelling Narrative* was weak and did not develop over time.

Proposition 3: The study identified three routines that enabled the flexible use of resources. None of the routines strengthened further during the NSRIP. However, the routine *Developing Robust PMO Services* was already strongly developed prior to the NSRIP. The routines *Integrating Business Planning across Organisational Units* and *Developing a Culture of Continuous Improvement* were developed as well, although not strongly.

Proposition 4: The study identified three routines that helped to integrate public review and scrutiny into policy-project implementation. None of the routines strengthened further during the NSRIP. However, the routines *Establishing a Management Framework* and *Developing SROs Experienced in Civil Service PBM* were developed prior to the NSRIP, although not strongly. The routine *Leading and Motivating Teams during Rapid Change* remained weak throughout.

Proposition 5: The study identified three routines that helped exploit the skills and knowledge of other Civil Service PBM experiences. The routines *Recruiting and Developing Individual PPM Career* and *Developing Directorate Learning Systems* strengthened during the NSRIP. The routine *Integrating PBM with Corporate Learning Systems* did not, but it had developed moderately prior to the NSRIP.

The results identify five roles that are critical to the development of PBM capability: Directors, Director General, PMOs (PPM Specialists), Deputy Directors (or equivalent), and PPM CoE (see Table 81). These roles are important to both FBO and PBO and serve to mediate between them. The results show that each of these roles had various successes and challenges. None of the roles was entirely successful in developing routines. However, it appears that the PMO was more successful while the Director General was less successful, in their respective roles.

The Director role had some success in developing the routine *Legitimising the PPM Profession*, and made improvements in the routine *Developing Benefit Realisation Management*. However, routines related to policy-making and policy-makers were weaker: *Mediating between Policy and PPM Specialists*, and *Understanding Accountability and Scrutiny in the Civil Service*.

The Director General had some success in maintaining the maturity of the routines *Develop a Culture of Continuous Improvement*, *Developing SROs Experienced in Civil Service PBM* and *Establishing and Maintaining a Mandate*. However, the routine *Building a Compelling Narrative* was weak and was not improved. The PMOs were successful in maintaining a high maturity of the routine *Developing Robust PMO Services* and *Improving the Maturity of Developing Directorate Learning Systems*. The routine *Integrating Business Planning across Organisational Units* had some maturity but could be improved.

Table 81: Informatics Projects - PBM Capability Development Roles

Role	PBO Routines	Level of Development (Weak, medium, strong)	
		Phase 0	Phase 4
Directors	Legitimising the PPM Profession	High	High
	Developing Benefit Realisation Management	Weak	Medium
	Integrating Business Planning across Organisational Units	Medium	Medium
	Mediating between Policy and PPM Specialists	Weak	Weak
	Understanding Accountability and Scrutiny in the Civil Service	Weak	Weak
Director General	Developing a Culture of Continuous Improvement	Medium	Medium
	Developing SROs Experienced in Civil Service PBM	Medium	Medium
	Establishing and Maintaining a Mandate	Medium	Medium
	Building a Compelling Narrative	Weak	Weak
PMOs	Developing Robust PMO Services	High	High
	Developing Directorate Learning Systems	Medium	High
Deputy Directors	Establishing a Management Framework	Medium	Medium
	Developing Individual Careers	Medium	High
	Leading and Motivating Teams during Rapid Change	Weak	Weak
	Integrating Specialist Resources	Medium	Medium
	Tempering Project Planning for Policy-making	Weak	Weak
PPM CoE	Integrating PBM with Corporate Learning Systems	Medium	Medium

The Deputy Directors had some success with the routine *Establishing a Management Framework*, although it needed to better consider policy-making and policy-makers. The routine *Developing Individual Careers* was strong, while the routines *Integrating Specialist Resources* and *Leading and Motivating Teams during Rapid Change*, could have developed further. The routine *Tempering Project Planning for Policy-making* was not strong.

In the DoH, the significance and impact of the PPM CoE decreased during the NSRIP. In the case of informatics projects, the mature NHS CfH PMO usurped the PPM CoE role. The NHS CfH PMO strengthened one particular routine where it had an important role, i.e. *Integrating PBM with Corporate Learning Systems*.

4.6 Discussion

The results from the two organisational units were set out in chapters 4.4, 4.5. This chapter compares and then discusses these results in order to develop insights into RQ9, “*What distinctive routines are developed when creating PBM capability in the Civil Service,*” and RQ10, “*Who are the key actors involved in the development of PBM capability in the Civil Service and how are they involved?*”

4.6.1 Practices that Enable PBM Capability – Distinctive Routines

To consider RQ9, each of the following five sections, 4.6.1.1 to 4.6.1.5, explores one proposition from Table 82 by conducting a cross-source analysis of results for the supporting routines.

Table 82: PBM Capability Development - Routines

Proposition	PBM Capability Developing – Routines
P1 – Routines that Align the Organisational Practices of the Policy-making Specialists with those of the PPM Specialists	<ul style="list-style-type: none"> • Integrating Specialist Resources • Understanding Accountability and Scrutiny in the Civil Service • Tempering Project Planning for Policy-making • Legitimising the PPM Profession • Mediating Between Policy and PPM Specialists
P2 – Routines that Enable Value and Purpose to be Effectively Negotiated across Temporal and Organisational Boundaries	<ul style="list-style-type: none"> • Building a Compelling Narrative • Developing Benefit Realisation Management • Establishing and Maintaining a Mandate
P3 – Routines that Enable the Flexible Use of Resources	<ul style="list-style-type: none"> • Integrating Business Planning across Organisational Units • Developing Robust PMO Services • Developing a Culture of Continuous Improvement
P4 – Routines that Integrate Public Review and Scrutiny Into Policy-Project Implementation	<ul style="list-style-type: none"> • Establishing a Management Framework • Leading and Motivating Teams During Rapid Change • Developing SROs Experienced in Civil Service PBM
P5 – Routines that Exploit the Skills and Knowledge of PBM from other Civil Service Experiences	<ul style="list-style-type: none"> • Developing Directorate Learning Systems • Developing Individual Careers • Integrating PBM with Corporate Learning Systems

Each section starts with a table summarising the routines and the final level of development of the routine, as ascertained by each source. For completeness, the final level of development for each source is marked to indicate the change in the level of development from the beginning of the NSRIP (i.e. ‘-’ for no increase, ‘+’ for one rating increase or ‘++’ for two rating increases). During the NSRIP, the results did not suggest a decrease in the level of development of any of the routines; hence, there are no negative changes indicated. A literature-based discussion follows the analysis, leading to final insights.

4.6.1.1 Aligning the Organisational Practices of the Policy and PPM Specialists

The first proposition used to explore the research question “*What distinctive routines are developed when creating PBM capability in the Civil Service?*” is concerned with ensuring that the policy-making and PPM specialists are working together during PBM:

Proposition 1: PBM capability in a policy-making context is developed over time through routines that align the organisational practices of the policy-making specialists with those of the PPM specialists.

The five identified routines that affected this proposition, the level of development at the end of the NSRIP and the level of change from the beginning of the programme are summarised in Table 83.

Table 83: Alignment of Specialists – Level of Development Summarised

PBO Routines	Level of Development in 2010 (rating: weak, medium, strong) (change from Phase 0 to 4: ‘, ‘+’, ‘++’)		
	WD/LP	ID/IP	DoH
Integrating Specialist Resources	Medium+	Medium	Weak
Mediating between Policy and PPM Specialists	Medium+	Weak	n/a
Tempering Project Planning for Policy-makers	Strong++	Weak	Medium+
Legitimising the PPM Profession	Medium+	Strong	Weak
Understanding Accountability and Scrutiny in the Civil Service	Medium+	Weak	Medium

Results are summarised by source and discussed below for each of the five identified routines.

Integrating Specialist Resources

The results from the three source types related to the routine *Integrating Specialist Resources* are summarised in Table 84. The WD/LP Organisational Unit was nascent, while the origins of the ID/IP Organisation Unit pre-dated the history of the NSRIP. Regardless, both required additional specialist policy-making (strategy), project management, communications, PMO managers, and other skills, which did not readily exist. People were recruited as interim (non-permanent) workers, primarily from consultancy firms and by secondment from other organisations.

Table 84: Integrating Specialist Resources - Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Integrating Specialist Resources	<ul style="list-style-type: none"> Permanent staff with sufficient PPM and policy skills available in DoH and in the Workforce Directorate. Key policy and PPM roles were originally subsumed by the Director General and consultants. Policy specialists were dissatisfied but satisfaction improvements were achieved over time. 	<ul style="list-style-type: none"> NHS CfH had a very large pool of highly skilled PPM talent, one of the largest in central civil government. In spite of this, contractors were heavily utilised for PPM roles. Contractors were used for strategy (policy) as well as PPM roles.

The NSRIP was fast-paced and hectic for team members, particularly at the front end of the programme. Permanent workers were generally already allocated to other work and sufficient resources were not available for this programme. Hence, there were challenges with getting ‘bums on seats’ in a short period of time. The WD/LP Organisational Unit was particularly short of necessary skills for policy delivery as it was an entirely new policy area and organisational unit. The ID/IP

had better access to the necessary skills that were available in the NHS CfH organisation. These skills were available primarily through specialists recruited as consultants.

Although consultancy and secondment met the recruitment needs of the NSRIP from a temporal perspective, it introduced two tensions:

- The use of permanent workers versus non-permanent workers, and
- The use of specialist versus generalist resources.

There is evidence that prior to the NSRIP the non-permanent members of the nascent WD/LP Organisational Unit were treated differently from permanent staff members, being provided only limited access to information and being excluded from team events. However, the Workforce Directorate uncovered this behaviour and made a particular effort to treat permanent and non-permanent workers equally. The results suggest to me that this tension was overcome and dissipated as teams worked together and people started to know one another.

However, tensions between specialists and generalists persisted. The work within the programme was complex and the available generalist skills were inadequate for the work at hand. Generalist civil servants were affected when consultants were introduced in lieu of them, which led to low morale, as reflected in the low levels of staff satisfaction. The issue of generalists feeling displaced and undervalued remained in both organisational units. I frequently heard claims that the generalists could be ‘trained-up’ and should be ‘given a chance.’ Unfortunately, this was not practical in the given situation and demonstrated a naïveté of PBM and how individual competencies and skills need to be readily available, particularly at the start when there is little time for personal development and the work is complex and demanding.

It appears to me that the permanent policy generalists were comfortable with the specialists who entered the Civil Service, but expected them to be subservient. This created a paradox; the specialists had particular knowledge and skills that gave them power and influence which positioned them to displace those of the generalists.

Understanding Accountability and Scrutiny in the Civil Service

The results from the three source types related to the routine *Understanding Accountability and Scrutiny in the Civil Service* are summarised in Table 85.

The results suggest that the ID/IP Organisational Unit was biased towards project accountabilities (PBO), to the detriment of policy accountabilities (FBO). This was consistent with the weak development level of policy supporting routines. Policy direction and delivery were disconnected for some of the informatics projects, eventually leading to their being stopped during the later phases of the NSRIP.

Table 85: Understanding Accountability and Scrutiny – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Understanding Accountability and Scrutiny in the Civil Service	<ul style="list-style-type: none"> Staff members new to the Civil Service were unaware of the high level of financial scrutiny, the time to reach decisions in a distributed public system and how to work with Ministers and Parliament. DoH has a dual role: policy and operational oversight, which is conflicting at times. Directors arrived inexperienced with the Civil Service. They developed understanding but left before fully adapting. Consultants were inexperienced with the Civil Service, but developed experience. 	<ul style="list-style-type: none"> Appreciation for the high level of stakeholder engagement and financial scrutiny, but overall lack of understanding of policy-making. Directors initially inexperienced with the Civil Service, but developed experience over time. Policy-makers not highly engaged.

The results suggest that the WD/LP Organisational Unit was biased towards policy accountabilities (FBO) related to stakeholder engagement and consensus on policy direction, to the detriment of project management accountabilities (PBO) related to time, cost and quality of delivery. This was consistent with the inability of the organisational unit to effectively budget and spend funds. They set out a case for very large budgets each year, which they were consistently given, but could not manage to orchestrate the spending of the funds allocated. The results show that those inexperienced with the organisational practices of the Civil Service were frustrated. They found that the extensive scrutiny made the organisational unit inefficient: activities took longer, cost more than they expected and were hampered by the lack of direct control over expenditures.

Legitimising the PPM Profession

The results from the two source types related to the routine *Legitimising the PPM Profession* are summarised in Table 86. The WD/LP Organisational Unit was nascent and did not have a pool of experienced PPM specialists to call upon when faced by the demands of the NSRIP, while the ID/IP Organisation Unit was longer-standing and operated with one of the largest single pools of experienced PPM specialists in the Civil Service. Neither organisational unit had access to PPM specialist support from the larger DoH, as they simply did not exist in any notable number. In this context, it appeared that the PPM specialty was not treated as a legitimate profession, which was in contrast to the Policy Profession and other professions such as economics and finance.

Table 86: Legitimising the PPM Profession – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Legitimising the PPM Profession	<ul style="list-style-type: none"> PPM Profession had negligible legitimacy in DoH and the Workforce Directorate. It was treated as a technical skill to be bought-in. PPM specialists were given status over time through positional power, visibility and evidence of impact. Policy specialists felt displaced by the incoming specialists. 	<ul style="list-style-type: none"> The PPM Profession was incidental in the DoH and had negligible legitimacy. The PPM Profession was the core profession with a high level of legitimacy. In contrast, the Policy Profession was not given legitimacy and there was no apparent effort to rectify this. Policy specialists felt displaced.

In the DoH, the Workforce Directorate and NHS CfH were unique in that they recognised and supported the development of PPM specialists. The Directors General of both areas came from outside the Civil Service and had experienced work that benefited from having well-developed PPM specialists and appeared to value them. Given the size and nature of the NSRIP, it required specialists with skills of various kinds that were experienced with complex PBM. Both directorates signalled to their organisations that they supported PPM specialists. Subsequently, the legitimacy of the PPM Profession increased within these organisational units. However, the attention paid to PPM specialists altered the *ecology of professions*, displacing the Policy specialists. Policy-makers perceived this as diminishing their legitimacy and the value of their organisational practices.

Tempering Project Planning for Policy-making

The results from the three source types related to the routine *Tempering Project Planning for Policy-making* are summarised in Table 87: Tempering Project Planning – Results Summary.

Table 87: Tempering Project Planning – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Tempering Project Planning for Policy-making	<ul style="list-style-type: none"> • Inexperienced PPM specialists over-used project methodologies. • Methodologies were tempered to policy-making over time. 	<ul style="list-style-type: none"> • Sophisticated PPM process and methodologies were used. • Did not uncover evidence of adaptation to policy-making.

The results described how in the WD/LP Organisational Unit, project planning was initially treated with disdain, born from a perceived overuse by PPM ideologies in a policy environment where the work is interactive and fluid. It was believed by team members that the detailed project plans required a disproportionate level of effort relative to their value. Over time, project planning was much more sensitised to policy-makers' expectations. It was simplified and streamlined, working more on the basis of major milestones than detailed activity mapping.

The ID/IP Organisational Unit results revealed that the Unit was a project-centric organisation with a large number of PPM specialists. The organisation made little effort to temper plans for policy-makers. Adjustments did not seem to have been made, and this disenfranchised the few policy-makers that were involved. The emphasis was on project processes rather than on the context in which the project operated.

Mediating between Policy and PPM Specialists

The results from the three source types related to the routine *Mediating between Policy and PPM Specialists* are summarised in Table 88.

Table 88: Mediating between Specialists – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Mediating between Policy and PPM Specialists	<ul style="list-style-type: none"> • There were challenges getting the skills mix correct. • Some directors did not appreciate the value of policy specialists and treated it as a technical skill. • Problems led to low staff satisfaction. 	<ul style="list-style-type: none"> • Need for this routine was identified. However, it was not developed. • There was a high level of focus on PPM with limited attention to policy. • Problems led to low Civil Servant staff satisfaction.

The results of both organisational units were similar. Interviewees identified the need for some mechanism for mediating between the policy and PPM specialists; the Director (WD/LP Organisational Unit) or Programme Director (ID/IP Organisational Unit) was seen as the role responsible for mediating. However, the leadership had strong delivery backgrounds and, according to interviewees, they did not understand or value the Policy Profession. The non-core PPM roles were not serving or, more accurately, subservient to the core policy profession roles. Staff satisfaction, particularly with policy-makers, was low in both organisation units. It is reasonable to surmise that there was a correlation between the low value put on policy specialists and the low staff satisfaction results.

Policy-makers were displaced as PPM specialists were recruited to help deliver the NSRIP, creating tensions. This routine highlights the need for leaders to mediate between Policy and PPM Specialists. However, the evidence indicated that this was not well addressed during the NSRIP.

Insights

Overall, the results reveal how the two organisational units developed five routines over time that helped to align the organisational practices of policy specialists with those of the PPM specialists. The wider DoH was not an organisation that was successful in developing the identified routines, leaving the organisational units to develop routines locally, often relying on external consultants and secondees as PPM Specialists.

The ID/IP Organisational Unit strengthened most of the five routines prior to this study, while the WD/LP Organisational Unit did so during the timeframe of the study. However, neither was entirely successful at achieving a strong alignment between specialists. It appears that there is an elusive equilibrium point. Instead, either the organisational practices of the Policy Profession or the PPM Profession will dominate, with the WD/LP Organisational Unit dominated by Policy Specialists and the ID/IP Organisational Unit dominated by PPM Specialists. The Policy Specialists had a broad understanding of the public sector, while PPM Specialists had a narrower understanding of the public sector.

In both organisational units, the PPM specialists were appointed to teams and expected to immediately function at a very high level. This was something they were accustomed to doing. Policy specialists were not as accustomed to this way of working and did not have the same level of experience with projects. Power shifted

towards the PPM newcomers as their legitimacy increased and the *ecology of professions* was altered. The shift of power to PPM specialists had a downside. The policy generalists were displaced and undervalued. PPM specialists tended not to understand or fully appreciate the value, knowledge and skills that policy specialists brought, exposing the programme, particularly when managing the scrutiny and the accountability inherent in the political processes. During interviews, the specialists made comments about the other specialists which were often in a form such as: *"I don't understand why they didn't just ... it wasn't that complicated"* or *"If they only would have ... everything would have been okay."* Tensions between policy specialists and PPM specialist were evident and the Directors struggled to mediate between them. This was evident for both organisational units in the study.

These results are further informed by the literature. According to Mintzberg (1983b) the Civil Service was historically a *professional bureaucracy* operating according to deeply entrenched norms and values where non-core roles are expected to serve the core profession. In the Civil Service, the policy profession is deemed to be the core profession, and traditionally contains generalists expected to be good at many things, including policy delivery. The Professional Skills for Government programme, launched in October 2004, was an attempt to disrupt this assumption. Particularly relevant to PBM, it specifically identified project management skills as a consideration for the core policy specialists, while attempting to define and establish a PPM profession. The addition of PPM as a profession set the groundwork for *legitimising* the PPM specialists in their own right, and creating tensions between the incumbent policy specialists.

Legitimacy is discussed in contemporary organisational theory by authors such as Suchman(1995:574), who adopts an inclusive definition: *"the generalised perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions."* Engwall (2003:791) considered the concept of legitimacy in PBM and he noted a common perception that project managers are a *"non-legitimate change agent in a conservative, or sometimes even hostile, organizational environment"* and that they employ formal project management procedures to gain legitimacy and administrative control within the organisation. These practices service to legitimise the PPM profession, but in doing so they displace the policy profession practices and reduce the legitimacy of the policy specialists.

During the interviews, policy specialists frequently referred to project planning. It was evident to me that many policy specialists equate it (inappropriately) to PBM. This project management practice stands out amongst the others. There are several potential reasons for this. One explanation relates to the enduring legacy of project planning as a promoted practice in the Civil Service. Project management as a modern discipline had its origins in project planning. This influenced practitioner and academic literature for many decades. The attention to project planning permeated early Civil Service guidance on project management, e.g. PRINCE2. An emphasis on project planning continued with later versions, although

perhaps tempered, and continued to be highlighted in other influential guidance such as the report on the Common Causes of Project Failure (OGC, 2004a). As PRINCE2 was promoted in the Civil Service, so was project planning. It is now an orthodoxy that policy specialists have accepted.

Another explanation for project management being highlighted by policy specialists perhaps relates to the nature of the Civil Service. As established in the SLR, project planning as a practice is uncomfortable for policy-makers wanting flexibility. Civil Servants are trained to keep options open in order to facilitate the political processes that they support. This is contrary to project planning, which is about narrowing options and setting boundaries. From another perspective, project planning can be described as structuring decision-making. The results of the study suggest that project planning compromised the policy professionals' autonomy; these practices were *bureaucratic*. A similar phenomenon was considered by Quinn and Cameron (1988), who observed that public services are delivered by professionals that are generally resistant to classic 'line management' relationships and instead work to their professional standards rather than those of local management. The structure of project planning is an affront to policy professionals and it remains in their minds when discussing PBM.

Project planning creates an enduring tension, which might be overcome. However, McNulty and Ferlie (2004) and Hodgson (2004) observed that the impetus for change is not always strong enough to overcome existing norms of behaviours (i.e. of policy specialists) that would allow professional autonomy and existing functional structures to be replaced with more integrated process-based structures. The Civil Service changes that attempted to develop PPM ways of working in departments did not fully address this. The results of this case study indicate that Civil Service changes, e.g. the introduction of Professional Skills for Government, did not shift policy generalist ways of working sufficiently to support PBM. This was overcome during the NSRIP by reducing the number of policy-making generalists and increasing the number of PPM specialists, thereby shifting the balance of power. However, this created other, unintentional problems.

The shift of power to PPM specialists undermined the value that policy specialists provided to PBM in a Civil Service context. Greer (2007:28) described some of the key aspects of how the Civil Service works. He noted how career civil servants supported Ministers, often with considerable political shrewdness. They offered a *"small brake on bad, fragmented, government because they allow officials to both communicate with each other on common terms and block or edit bad policy decisions."* Greer also noted that the Civil Service was politically neutral; *"the machinery of government can run independently of the politicians who come and go"*. PPM specialists are not inherently trained and experienced in these Civil Service decision-making processes.

The blind spot created by devaluing policy specialists was evident. During the NSRIP, there was a tension between probity in the Civil Service and the pace of delivery, which could not easily be escaped from by those wishing to circumvent it. PPM specialists were most frustrated by this tension. A pronounced deficiency that

affected the routine was the lack of support and mentoring given to PPM specialists who did not have experience of working in the Civil Service.

Proposition 1 exposes a paradox that faces organisational units developing PBM capability. In a highly projectised organisation (e.g. ID/IP Organisational Unit), there are less likely to be policy specialists influencing the design and development of organisational routines. In a highly bureaucratised policy organisation (e.g. the WD/LP Organisational Unit at the beginning of the study), there are less likely to be PPM specialists influencing the design and development of the organisational routines. It takes specialists with a mutual understanding of the value of their counterpart profession and of how to develop it that leads to an appropriate balance. Unfortunately, the legacy norms and behaviours for both specialists are bound to limit the development of the required complementary practices.

Specialist resources need to be supported during PBM. This is akin to a line management function and falls well within the responsibility of Deputy Directors. However, there also needs to be a strong force to legitimise the entrance of a new professional (PPM) and then to mediate between PPM specialists and policy specialists. These routines operate at the level of the profession, above the line management level. Hence, the Director has a critical role to play. The PMO plays a role in tempering project planning; it is deemed to be the key manifestation of PBM to policy-makers and they need to be able to cope with it, in order to deliver.

4.6.1.2 Effective Negotiation of Value and Purpose

The second proposition used to explore the research question “*What distinctive routines are developed when creating PBM capability in the Civil Service?*” is concerned with engaging with stakeholders over time and across boundaries, to ensure that the work delivers something appropriate and meaningful:

Proposition 2: PBM capability in a policy-making context is developed over time through routines that enable value and purpose to be effectively negotiated across temporal and organisational boundaries.

Table 89: Value and Purpose Routines – Level of Development Summarised

PBO Routines	Level of Development in 2010 (Rating: weak, medium, strong) (Change from Phase 0 to 4: “, ‘+’, ‘++’)	
	WD/LP	ID/IP
Building a Compelling Narrative	Strong++	Weak
Developing Benefit Realisation Management	Weak	Medium+
Establishing and Maintaining a Mandate	Strong++	Strong

The three routines that affected this proposition, the level of development at the end of the NSRIP and the level of change from the beginning of the programme are summarised in Table 89.

Results are summarised by source and discussed below for each of the three identified routines.

Building a Compelling Narrative

The results from the three source types related to the routine *Building a Compelling Narrative* are summarised in Table 90. The WD/LP Organisational Unit results indicated that narratives were important to the NSRIP, being equally important for internal staff members as for external stakeholders. The narratives were directly linked to the stakeholder consultation processes conducted during the NSRIP. Similar to objectives and goals, the narratives had a component that was constant over time. Dissimilar to objectives and goals, narratives had to flex and change according to the political context and understanding of the journey upon which stakeholders had embarked.

Table 90: Compelling Narrative – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Building a Compelling Narrative	<ul style="list-style-type: none"> • Routine is reliant on high stakeholder engagement. • Significant effort consulting stakeholders resulted in a strong understood narrative. • The context shifted, it was unclear if the narrative did as well. 	<ul style="list-style-type: none"> • Narratives were identified as important. • However, they were underdeveloped and lacked clarity both within and outside the team.

The ID/IP Organisational Unit results also indicated that narratives were important to the NSRIP. However, it was not clear if the team knew how to create a strong narrative for their work. This team was heavily influenced by project management orthodoxy and not policy-making practices. Hence, the projects operated somewhat in isolation of the policy context. There was stakeholder engagement, but this was more about technical design and solution creation rather than the process of value and benefit negotiation over time.

Developing Benefit Realisation Management

The results from the three source types related to the routine *Developing Benefit Realisation Management* are summarised in Table 91. The results show that benefit realisation management was important to both policy-making and policy-project delivery. However, in both situations, benefit realisation management was much talked about, but poorly executed. The results described various tools that can be used to support benefit realisation management in the Civil Service. The WD/LP Organisational Unit results described a range of tools including impact assessments, policy review, narratives and financial analysis. The ID/IP Organisational Unit results described a range of tools including business cases, prototyping and pilots. Benefit realisation is an ongoing dynamic process that happens over time and needs constant attention. During the NSRIP, there were various tools available to potentially support the realisation of benefits, although these were not all effectively made use of. However, the fact that benefit realisation

management was of particular interest and was developed, demonstrated how this routine allowed value and purpose to be negotiated over time.

Table 91: Benefit Realisation Management – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Developing Benefit Realisation Management	<ul style="list-style-type: none"> The Impact Assessment and policy reviews are policy-making tools for benefit realisation management. Policy value and benefits neither well defined nor managed. 	<ul style="list-style-type: none"> Strongly identified routine. Business cases, prototypes and pilots used as tools but these were insufficient. Policy value and benefits were poorly articulated. Routine was at least partially developed, leading to one project being closed.

Establishing and Maintaining a Mandate

The results from the three source types related to the routine *Establishing and Maintaining a Mandate* are summarised in Table 92.

Table 92: Establishing and Maintaining a Mandate – Results Summary

POB Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Establishing and Maintaining a Mandate	<ul style="list-style-type: none"> Director General played a very direct and active role working with politicians. Unclear mandate at first, but a clear mandate established over time. Mandate was not always clearly communicated to internal staff, resulting in staff frustration. The strength of the mandate was not maintained to the end of the study period. 	<ul style="list-style-type: none"> Director General played a role in establishing a mandate. Mandate during the NSRIP was not clear. There was strong political intervention, given the high spend and public profile. The routine was not successful in maintaining a mandate as it kept changing according to shifts in politicians and governments.

The WD/LP Organisational Unit results described how the mandate for the Leadership Projects was unclear at first. This was not surprising as this policy area was new to the DoH. Given the high profile of the NSRIP, the Directors General were heavily involved in establishing the mandate with Ministers. However, it was felt that the established mandate was not always well communicated internally. This is one of the challenges of working in a fast-paced environment and, in this scenario, was affected by the continual changes in staffing and resources working with the Leadership Projects. There was a high degree of animosity against the Director of the WD/LP Organisational Unit who was also attributed with being part of the reason for the lack of internal communication.

The ID/IP Organisational Unit results described a similar scenario, in that the mandate was made clear with the direct involvement of the Director General. However, the political environment surrounding the Informatics Projects was much more volatile. The projects were part of the National Programme for Information Technology (NPfIT), which had a high profile due to its large budget and national impact. It was continually under review and scrutiny by Parliament, the media and auditors (e.g. the NAO and HM Treasury). This political environment continually taxed the routine *Establishing and Maintaining a Mandate*.

Both organisational units were successful in establishing a clear mandate during the NSRIP, although this waned at the end of the study period as other priorities

and interests emerged from the new Coalition Government. Nonetheless, the routine *Establishing and Maintaining a Mandate* was strong and appeared to be effective in the DoH and the two organisational units, demonstrating how this routine allowed value and purpose to be negotiated over time.

Insights

Overall, the results reveal how the two organisational units developed three routines over time that helped to negotiate value and purpose over time. The wider DoH as an organisation reflected the capability of the WD/LP Organisational Unit. There was different emphasis placed on the routines, depending on whether the organisational unit had a policy or project bias. The more highly projectised ID/IP Organisational Unit relied more on the routine focused on benefit realisation and less on the one focused on narratives. In comparison, the more functional/policy-driven WD/LP Organisational Unit relied more on the routine focused on narratives and less on the routine focused on benefit realisation.

In general, but particularly in the public sector, negotiating value and purpose over time is complex. Diverse, often competing, and sometimes irreconcilable stakeholder interests unpredictably determine the path. Depending on the nature of the stakeholders and the negotiation processes employed, different routines are favoured and require entirely different skills and techniques. These results are further informed by the literature.

One option for negotiating value and purpose relies upon *benefit realisation management*. In accepted PPM practices, benefits are identified and captured in business cases and used to provide a compelling reason for managers to agree to commit resources to one option relative to another. DeFillippi and Arthur (1998) consider the temporality of capital investment and how strategy decisions are often made before the means of delivering them are in place, e.g. projects. By their nature, these decisions consider value and purpose, and subsequently commit resources to the decision. Benefit realisation management is a useful organisational practice for supporting the development of business cases and other instruments that facilitate pre-investment decisions and feedback on delivery success post-investment. Gann and Salter (2000) observe that a small number of projects exceed expectations (i.e. are profitable), some meet expectations (i.e. break even), but many fail to meet expectations (i.e. fail). The project management response to coping with failing projects is to take a portfolio approach, whereby a group of projects is managed collectively. The theory is that, although some projects will fail, a well-managed portfolio will produce net benefits overall. This approach has its shortcomings in a Civil Service setting, where failing projects are under political and public scrutiny. Project failure is deemed to be a waste of public money and the product of an underperforming Civil Service.

Another option to negotiating value and purpose makes use of *narratives*. Public sector practitioners make use of strong narrative with messages that can penetrate the political processes: providing politicians and media with talking points, simple

messages and compelling arguments that are either highly logical or emotive. The concept of building a compelling *narrative* is familiar to policy-makers. Narratives in policy-making and narrative policy analysis are research fields in their own right, but are beyond the scope of this study. It is a core part of policy work that policy-makers understand the value of narratives. According to Roe (2004), narratives are particularly useful when dealing with uncertain, complex, and polarized topics of discussion. Policy-making calls for narratives that help stakeholders make sense of policies and their intent, so that they can engage with, contribute to and help to implement them. In this way, narratives have a strong affinity with stakeholder engagement and public relations. Both the organisational units spent significant time developing narratives; the WD/LP narrative is summarised in Appendix 21: Project 3 - Leadership Projects - An Example of a Narrative. The ID/IP encapsulated its narrative in various documents including the *Health Informatics Review* published in 2008.

For both options, establishing a strong mandate is relevant. In the Civil Service, mandates for initiatives come through to civil servants from Ministers and are syndicated with stakeholders. This is a well-developed routine that is supported by formal processes for briefing Ministers, reviewing ideas through committees and seeking parliamentary support. The Civil Service's suite of project management best practice guidance (captured in the form of PRINCE2 and related guidance) specifically mentions mandates and calls for clarity of objectives and goals supported by strong stakeholder engagement. The suite of best practice guidance was built up over many years around these concepts. OGC Gateway Reviews™ also consider clarity of goals and purpose, and stakeholder engagement, making improvement recommendations related to these under the headings of planning, stakeholder or business case issues.

Proposition 2 of this study reveals different approaches to negotiating purpose and value over time, depending on where an organisation is along the continuum of FBO to PBO, and the downside of both. A project-biased organisation favouring PBO, as with the ID/IP Organisational Unit, might lose its ability to exploit narratives used for Civil Service decision-making. A policy-biased organisation favouring FBO, as with the WD/WP Organisational Unit, might not be able to exploit benefit realisation, used for managerial decision-making. Organisational units shifting along the continuum from FBO towards PBO that do not manage the change may face losing the ability to exploit one or both routines relating to benefit realisation and narratives, as the WD/WP Organisational Unit did at the start of the NSRIP.

It takes adept practitioners to negotiate value and purpose over time. The results suggest that Directors General are important to developing the routines *Building a Compelling Narrative* and *Establishing and Maintaining a Mandate*. On the other hand, it is suggested that the routine *Developing Benefit Realisation Management* should be within the gift of the Deputy Director. It may be that this is the appropriate level of responsibility where the skill should exist. However, as previously established, the responsible Director left the Deputy Director role in the

WD/LP Organisational Unit vacant for much of the NSRIP by choice. Clearly, this eliminated the opportunity to delegate accountability for this routine to this role.

4.6.1.3 Flexible Use of Resources

The third proposition used to explore the research question “*What distinctive routines are developed when creating PBM capability in the Civil Service?*” is concerned with reallocating resources in response to shifting political imperatives and organisational priorities:

Proposition 3: PBM capability in a policy-making context is developed over time through routines that enable the flexible use of resources.

Table 93: Flexible Use of Resources – Level of Development Summarised

PBO Routines	Level of Development in 2010 (Rating: weak, medium, strong) (Change from Phase 0 to 4: “, ‘+’, ‘++’)	
	WD/LP	ID/IP
Integrating Business Planning across Organisational Units	Medium+	Medium
Developing Robust PMO Services	Medium+	Strong
Developing a Culture of Continuous Improvement	Medium+	Medium

The three routines that affected this proposition, the level of development at the end of the NSRIP and the level of change from the beginning of the programme are summarised in Table 93.

The results are summarised by source and discussed below for each of the three identified routines.

Integrated Business Planning across Organisational Units

The results from the three source types related to the routine *Integrating Business Planning across Organisational Units* are summarised in Table 94. Both the WD/LP and the ID/IP Organisational Units operated in similar planning contexts, with both the Workforce Directorate and NHS CfH trying to persuade the various organisational units within their control to come together to prioritise work and optimise resource allocation (see Table 67 and Table 75 for an overview of the resources allocated in this study). The Directors played a key role, although significant support was provided by the PMOs for handling the logistics and managing the volumes of relevant information.

Table 94: Integrated Business Planning – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Integrating Business Planning across Organisational Units	<ul style="list-style-type: none"> Integrated planning was very weak at the start of the NSRIP. Directorate management team participated in integrating planning reluctantly. No evidence that the Leadership Division was fully integrated (consistently high level of funding without ability to spend). 	<ul style="list-style-type: none"> Integrated business planning that considered business priorities existed. The planning processes supported the flexible allocation of resources. Able to close down projects and redeploy them. Its weakness was the poor alignment with policy-making.

Developing Robust PMO Services

The results from the three source types related to the routine *Developing Robust PMO Services* are summarised in Table 95.

Table 95: PMO Services – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Developing Robust PMO Services	<ul style="list-style-type: none"> Workforce had a hub-and-spoke PMO configuration. Two PMOs were most relevant: Workforce PMO and Leadership PMO. Both PMOs started with low levels of service but matured services over time. 	<ul style="list-style-type: none"> NHS CfH had one central PMO that was relevant. The PMO existed for a long period of time and was very mature.

The WD/LP Organisational Unit results show that it had a ‘hub and spoke’ PMO configuration, whereby the directorate had a central PMO hub and the Leadership Division was a spoke PMO. Initially the central PMO did the project planning, but once the hub PMO was set up it took on this service. Based on the results, it took several years to develop a directorate-level PMO with a robust set of services. Initially, the focus was on planning and getting resources (financial and people) to the right projects at the right time, while learning systems were the last services to develop (see Table 68: Workforce Directorate – PMO Services).

The ID/IP Organisational Unit results show that it configured its PMO services differently. These were almost entirely centralised, whereby all services were provided by a single PMO for NHS CfH that all projects drew upon. The PMO existed for many years before the NSRIP was initiated. It had already developed a robust set of services (see Table 71: Leadership Projects – PMO Services for an overview of the services offered by the organisational units during the study). However, even after this period of time the PMO was innovating and strengthening its services.

Developing a Culture of Continuous Improvement

The results from the three source types related to the routine *Developing a Culture of Continuous Improvement* are summarised in Table 96.

The ID/IP Organisational Unit results show that lessons learned from projects were defined and used. There was evidence that *Develop a Culture of Continuous*

Improvement was an active routine, but there was no clear evidence that this was a strong routine. The routine strengthened with the support of the NHS CfH PMO.

Table 96: Culture of Continuous Improvement – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Developing a Culture of Continuous Improvement	<ul style="list-style-type: none"> Initially, Leadership Division focused on getting 'bums on seats', delivering work and not improving ways of working. As staff resources and PMO processes matured, there was time available for improvement. 	<ul style="list-style-type: none"> Previous applied 'lessons learned mechanisms' were used. Lessons captured in the PBM Framework (Delivery Framework). The development of the routine is unclear.

The WD/LP Organisational Unit results describe how this routine was not well developed at the start of the NSRIP. The organisational unit was under pressure and not able to cope with even the basics of getting staff in place. Starting with minimal infrastructure and no strong PBO routines, it struggled to consider, let alone develop, the routine *Develop a Culture of Continuous Improvement*. By the end of the NSRIP, the routine had developed and was being employed. The routine strengthened with the support of the WD PMO.

Insights

Overall, the results reveal how the two organisational units developed three routines over time that helped to create flexibility in the use of resources. The results of the case study suggest that, by the end of the NSRIP, the organisational units both developed a moderate, albeit limited, capability to use resources flexibly within the scope of the directorates within which they operated.

By definition, flexibility calls for co-ordination and co-operation across organisational boundaries. The evidence in this study highlighted how the organisational units operated as *a collection of semi-autonomous organisational units, run by independent-minded leaders* (see section 4.4.2.2). This independent-mindedness hampered the organisational flexibility desired. The ID/IP Organisational Unit reached its capability even before the start of the NSRIP, which it maintained. The WD/LP Organisational Unit developed capabilities, but only after two and a half years of continuous development. In both organisational units, the directors focused on business planning as a means of prioritising and (re)allocating resources.

The PMOs provided a wide array of services (particularly people, finance and learning related), which facilitated flexibility. Learning services were the last to develop. Continuous change (Pettigrew et al., 2001) rather than episodic change was deemed to be required. Continuous change was seen to be a Director General's responsibility; however, it was supported by the PMOs, which introduced processes and technical tools, helping to moderate values and norms. The Directors General's attempts to evolve the culture were hampered by the demands

of project initiation and high staff turnover. These results are further informed by the literature.

Quinn and Cameron (1988) observed that public sector initiatives often lack consensus and clear definition of overall outcomes (also explored by proposition 2). There are many competing stakeholder interests to accommodate, which lead to a continual process of negotiation and exploration. Further, they describe the public sectors as being constrained by regulation, having high public visibility of internal activities and being accountable to politicians. Based on the results of the preceding research project of my thesis, the flexible use of resources is seen to be one way that the Civil Service copes with this highly politicised and scrutinised environment. By definition, flexibility calls for co-ordination and co-operation across organisational boundaries to facilitate the adjustment and reallocation of resources. However, the evidence in this study has illustrated how the organisational units have operated as a collection of semi-autonomous organisational units, run by independent-minded leaders. To be flexible, these boundaries need to be broken down.

As the demands of the NSRIP increased, the importance of the PMOs increased. This is consistent with Aubry et al. (2008), who observe that the emergence of and need for the PMO is associated with the number and complexity of projects. As the complexity of projects increases, so does the range of functions provided by the PMO (Hobbs and Aubry, 2007). By the end of the NSRIP, both organisational units had PMOs that provided a full suite of core services. The organisational learning service was the last and most difficult to develop; it appeared to be hampered by the level of the DoH organisational learning capabilities.

Because of the number of projects and amount of complexity associated with the NSRIP, PMOs played critical roles in both capability development as well as policy-project delivery. In the study, the PMOs acted as a moderating influence that worked to break down barriers and connect across organisational boundaries. The PMOs developed the necessary technical systems, skills and management systems. The PMOs also acted as the moderators of the social processes within the organisational units, helping to develop new values and norms. The routine *Developing Robust PMO Services* strengthened by the end of the NSRIP, but deficiencies still remained.

The organisational units found it hard to deliver continuous improvements when under pressure, as they lacked the *breathing space* to make the changes required. This is the norm during the initiation of new programmes and projects when much of the management attention is on the basics: i.e. staffing the team (getting 'bums on seats'), getting financial resources and establishing the mandate for what is to be done. The challenge during PBM is to manage the pace of routine development (Pettigrew et al. (2001) highlight pace as the consideration of change), minimising the time that the organisation is under pressure during project initiation to put the basics in place and to begin establishing a culture of continuous improvement as quickly as possible. According to the results, a culture of continuous improvement

implies there are senior leaders that are actively driving the need for change, a PMO that provides support to making changes, and staff that are able to and capable of identifying and making changes. There were noted deficiencies in these areas.

Proposition 3 exposes a paradox that faces organisational units developing PBM capability: the flexible use of resources is contingent upon having structured ways of working across organisational boundaries. However, structure sets boundaries and reduces individual flexibility. The processes of putting in place the necessary PMO services and integrated planning structures take time – two and a half years in the case of the WD/LP Organisational Unit. This duration is understandable. From experience, it takes two cycles of a process in order to gain some degree of control over it. PBM flexibility operates, as already defined, across organisational unit boundaries; hence, it is by definition affected by the larger corporate (FBO) financial systems. Corporate financial management processes operate on an annual cycle and, hence, it takes at least two years to develop new (stable) financial processes that support flexibility for PBM.

Another insight emerges from this discussion. Flexibility draws out the interdependence between PBO and FBO, with the former dependent on the latter. Although, FBO routines are not specifically explored in this study, there is evidence that strong FBO routines for people, change, organisational learning and financial management, would have helped in building PBM capability. Instead, the evidence makes clear that these FBO routines were not strong, leaving the involved actors to strengthen them.

Directors played a key role in strengthening the routine *Integrating Business Planning across Organisational Units* as leaders with authority across organisational unit boundaries were required. The various PMOs were central to *Developing Robust Programme Office Services*. The Workforce Directorate and the WD/LP PMOs were underdeveloped at the start of the NSRIP. The WD/LP Organisational Unit suffered, as it was not receptive to the demands of the NSRIP nor prepared for the pace of delivery (as already stated, Pettigrew et al. (2001) highlight pace as consideration of change). The senior leadership of the Director General was required to strengthen the routine *Developing a Culture of Continuous Improvement* and an entire shift in the organisational practices of the SCSs was required to enable the routine.

4.6.1.4 Public Review and Scrutiny

The fourth proposition used to explore the research question “*What distinctive routines are developed when creating PBM capability in the Civil Service?*” is concerned with the organisational systems required to cope with the high visibility of internal activities to stakeholders:

Proposition 4: PBM capability in a policy-making context is developed over time through routines that integrate Public Review and Scrutiny into Policy-Project Implementation.

The three routines that affected this proposition, the level of development at the end of the NSRIP and the level of change from the beginning of the programme are summarised in Table 97.

Table 97: Public Review and Scrutiny – Level of Development Summarised

PBO Routines	Level of Development in 2010 (Rating: weak, medium, strong) (Change from Phase 0 to 4: “, ‘+’, ‘++’)	
	WD/LP	ID/IP
Establishing a Management Framework	Medium+	Medium
Developing SROs Experienced in Civil Service PBM	Weak	Medium
Leading and Motivating Teams during Rapid Change	Weak	Weak

Results are summarised by source and discussed below for each of the three identified routines.

Establishing a Management Framework

The results from the three source types related to the routine *Establishing a Management Framework* are summarised in Table 98.

Table 98: PBM Framework – Results Summary

PBO Routine	Workforce Directorate Leadership Projects	Informatics Directorate Informatics Projects
Establishing a Management Framework	<ul style="list-style-type: none"> Formal PBM framework developed and introduced by the WD PMO. Business management and policy-making focused on PPM and improvement components. At Deputy Director-level, an absence of (project) management skill and knowledge in using and managing a PBM framework. The division was reluctant to formally appoint a permanent Deputy Director. 	<ul style="list-style-type: none"> Formal PBM framework developed over many years. PPM focused on business management components, with little attention to policy-making. Programme Managers (Deputy Director-level) highly competent in using the framework and contributed to its content. The framework was insufficient to support Civil Service driven changes.

The ID/IP Organisational Unit source results described an organisation that developed a PBM framework over many years. The management processes were well understood and well documented. It had limitations though, in that it did not entirely reflect the Civil Service policy-making processes and was exposed when changes were made to Civil Service approaches.

The WD/LP Organisational Unit source results described an organisation that developed its PBM framework in a short period of time. The management processes were well articulated and reflected policy-making processes. However, it was limited in that, with unclear leadership at the Deputy Director level, the framework was not consistently applied and refined. By the end of the NSRIP this

situation had improved, but left little time for fully embedding ways of working before the study period ended.

Overall, the results demonstrate the use of the routine *Establishing a Management Framework* as both organisational units established management frameworks. However, they used different approaches. The WD/LP Organisational Unit adopted the Workforce Directorate’s management framework and appended some local extensions to it. The ID/IP Organisational Unit adopted the NHS CfH framework, which had developed over many years. Both organisational units explicitly documented and communicated their frameworks. Both management frameworks made provision for formal and information review support.

Developing SROs Experienced in Civil Service PBM

The results from the three source types related to the routine *Developing SROs Experienced in Civil Service PBM* are summarised in Table 99.

Table 99: SROs Experienced in Civil Service PBM – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Developing SROs Experienced in Civil Service PBM	SCS understood PBM but not the Civil Service.	SCS understood PBM but not the Civil Service.

Both the WD/LP and ID/IP Organisational Units’ source had SCS members with strong PBM skills and experience developed their competencies outside the Civil Service. These individuals were brought in to help strengthen the management capabilities of the area they were leading. Unfortunately, what was lacking was a full appreciation of the Civil Service and PBM in a policy-making context.

Leading and Motivating Teams during Rapid Change

The results from the three source types related to the routine *Leading and Motivating Teams during Rapid Change* are summarised Table 101.

Table 100: Leading and Motivating – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Leading and Motivating Teams during Rapid Change	<ul style="list-style-type: none"> Staff satisfaction was one of lowest in the DoH (and well below Civil Service averages). In later phases, some attention was paid to staff needs. 	<ul style="list-style-type: none"> Staff satisfaction was one of lowest in the DoH (and well below Civil Service averages). In later phases, some attention was paid to staff needs.

The WD/LP Organisational Unit source results described an organisation, with a poorly motivated team during the NSRIP. This was a very personal and important routine for interviewees. A number of interviewees became very agitated, verging on angry, when discussing the team’s motivation, pointing to the negative impact that the leadership style had had upon them and the pace of change. Their dissatisfaction was mirrored in very low staff survey results for the organisational units. A change in leadership and an increase in the attention paid to staff at the

end of the study period may have produced improvements, but this was beyond the study period.

The ID/IP Organisational Unit also described an organisation with a poorly motivated team during the NSRIP. However, these results seemed to be primarily driven by the Civil Servants in the team.

Insights

Overall, the results reveal how the two organisational units developed three routines over time, that helped to integrate public review and scrutiny into policy-project implementation, and how they could rely on the strengths of the larger DoH to develop their own routines. The organisational units each developed management frameworks that defined the business model for decision-making, and change management was formally introduced and strengthened. However, the organisational units faced significant challenges. SROs appeared to be experienced in PBM but not the Civil Service ways of working, and SRO support to overcome this barrier was minimal. The dysfunctional line management of the Deputy Directors and a lack of experience of launching projects in the Civil Service directly contributed to both of the organisational units having the lowest staff satisfaction in the DoH. These results are further informed by the literature.

The public sector, by its nature, is exposed to a high level of public scrutiny. This is amplified by the fact that the internal workings of public sector organisations are much more visible than their private sector counterparts. It can be argued that this is desirable in a publicly funded system. Rainey in Kelman (2005) observes the effect of the high visibility of the internal activities of the public sector, a greater sensitivity of those in the political system to scandal and the allocation of resources focused on avoiding scandals. When a public sector organisation encounters scandal, it loses some or all of its ability to deliver because it is consumed by the resulting inquiries and reviews. Prior to the NSRIP, both the Workforce and Information Directorates experienced this situation and were consumed by various reviews, public inquiries and audits – the former directorate in relation to the Modernising Medical Careers Programme and the latter in relation to the National Programme for IT. At times, the teams were overwhelmed by the scrutiny and review of previous work; they could neither progress new work nor address the particular policy issues at hand. This is an important point as, when faced with this pressure, projects within the organisational units are vulnerable to failure due to lack of care and attention. If pressure continues, organisations can become dysfunctional. They are fixated on handling media, public and parliamentary inquiries and not on the business of the department. It is not difficult to find examples of ministerial resignation or the shuffling of ministerial portfolios following this type of crisis.

The results of the study indicate that Establishing a Management Framework is relevant to integrating public review and scrutiny in policy-project implementation during organisational changes. In an environment where

organisational structures are stable, this routine would not be as important. However, this is the antithesis of PBO. Programmes invoke organisational change and, when an organisation changes, the business rules for decision-making and management are disrupted. To illustrate, consider the 90 reorganisations of the Central Civil Government Departments and their arm's length bodies between May 2005 and June 2009: over 20 reorganisations per year on average (National Audit Office, 2010). During each of the reorganisations, recombining organisational entities in new ways would have obscured the set of rules. At a macro-level, there is often a lull in delivery until new rules are made clear. At a more micro-level, consider each time there is a shift in government priorities; there is a direct impact on the mandate of one or many directorates within particular departments. Adjustments to organisation, directorate or project structures subsequently result. Again, the business rules can become obscured, depending on the magnitude of change and capability of the organisational units to handle the changes. The NSRIP led to major organisational changes for both the Workforce and Information Directorates. The former created an entirely new division for leadership policy, while the latter created and restructured NHS CfH. These major shifts drove the need for reconceived management frameworks that were aligned with the new business model. The identified management frameworks served to mitigate the negative side effects that the organisational changes had on public scrutiny and review.

The results show that during the NSRIP, the two organisational units, and the DoH more broadly, were predisposed to hiring from outside the career Civil Service. The introduction of external resources introduced necessary specialist skills to enable PBM, but created other problems relevant to Proposition 4. Greer (2007:29), similarly, observed that the government's summary report on the DoHs capability reviews cites increased hiring from outside the career Civil Service. He believed that the DoH experience would produce *"a loss of coherence, knowledge, and esprit de corps without necessarily improving policy, management, or delivery capacity."* The lesson for DoH is probably that introducing outsiders into the Civil Service must be handled carefully during PBM; otherwise, it is likely to create unintended problems. The identified routines served to mitigate the negative side effects that introducing external resources had on public scrutiny and review.

It was noted that implementing and using a management framework could be difficult without the full support of Directors. They play a focal role, which was made explicit in the Workforce Directorate management framework. However, they did not appear to have the impact they might have had during the NSRIP.

4.6.1.5 Learning from Other Civil Service PBM Experiences

The fifth proposition used to explore the research question *"What distinctive routines are developed when creating PBM capability in the Civil Service?"* is concerned with learning systems:

Proposition 5: PBM capability in a policy-making context is developed over time through routines that exploit the skills and knowledge of PBM from other Civil Service experiences.

The three routines that affected this proposition, the level of development at the end of the NSRIP and the level of change from the beginning of the programme are summarised in Table 101.

Table 101: PBM Learning – Level of Development Summarised

PBO Routines	Level of Development in 2010 (Rating: weak, medium, strong) (Change from Phase 0 to 4: ‘-’, ‘+’, ‘++’)	
	WD/LP	ID/IP
Developing Individual Careers	Medium+	Strong+
Developing Directorate Learning Systems	Medium+	Strong+
Integrating PBM with Corporate Learning Systems	Weak	Medium

Results are summarised by source and discussed below for each of the three identified routines.

Developing Individual Careers

The results from the three source types related to the routine *Developing Individual Careers* are summarised in Table 102.

Table 102: Individual Learning – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Developing Individual Careers	<ul style="list-style-type: none"> • Prior to NSR Implementation, PPM training of junior policy-makers was employed with little effect (did not meet needs when high levels of PBM skill required). • Individual learning mechanisms including induction, apprenticeship and mentoring processes were developed. 	<ul style="list-style-type: none"> • Individual learning mechanisms including induction, apprenticeship and mentoring. • These mechanisms were heavily utilised.

The WD/LP Organisational Unit source results identified learning mechanisms that include induction, apprenticeship and mentoring. However, these were not employed until the end of the NSRIP. These results also noted that the training employed for policy-makers in previous development programmes was at a rudimentary level, although it was sufficient for complex major programmes. In effect, the training had minimal impact and actually did damage in some ways, as it set the expectation that projects were about some basic things, such as a project plan, and those that understood these could manage any project. This falsehood confused individuals who were later supplanted by professional project managers when the NSRIP was launched.

The ID/IP Organisational Unit source results again identified induction, apprenticeship and mentoring as individual learning mechanisms, as with its comparator organisational unit. In the Informatics Division, these were more

readily available throughout. There was minimal evidence of individual learning support for the SRO.

Developing Directorate Learning Systems

The results from the three source types related to the routine *Developing Directorate Learning Systems* are summarised in Table 103.

Table 103: Directorate Learning – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Developing Directorate Learning Systems	<ul style="list-style-type: none"> • Directorate learning mechanisms include talent management, co-location of staff, and learning events. • Recruitment processes did not emphasise Civil Service or DoH PBM experience. • Staff redeployment was not a developed mechanism. When staff departed, they left the division, directorate and department. • Limited evidence that knowledge was retained well. 	<ul style="list-style-type: none"> • Directorate mechanisms include rigorous staff reviews during probation, lessons learned and communities of practice. • Staff redeployment was a developed mechanism. When staff left the projects, they were moved to other NSR projects or another part of NHS CfH. Leaving NHS CfH was the exception. • Knowledge was retained.

The WD/LP Organisational Unit source results listed directorate-wide learning mechanisms, such as talent management and learning events, all of which were employed to some extent. There is limited evidence that knowledge was retained well.

ID/IP Organisational Unit source results listed directorate-level learning mechanisms such as rigorous staff reviews during probation, lessons learned, communities of practice, and redeployment – all of which were employed. There is evidence that knowledge was retained well.

Table 104: Experience in Different Sectors – Years

Interviewee Type	Private and Other Sector Experience	Other Civil Service Experience	DoH Experience	All Experience
Leadership	16.9	1.9	6.3	25.0
Central	20.0	1.0	6.0	27.0
Informatics	13.3	0.8	6.6	20.6
All	15.8	1.3	6.4	23.5

Table 105: Experience in Different Sectors – Relative Distribution

Interviewee Type	Private and Other Sector Experience	Other Civil Service Experience	DoH Experience
Leadership	68%	8%	25%
Central	74%	4%	22%
Informatics	64%	4%	32%
All	67%	5%	27%

In the results, talent management was identified as a directorate mechanism for learning, which was applied ID/IP Organisational Unit source results listed directorate-level learning mechanisms such as rigorous staff reviews during

probation, lessons learned, communities of practice, and redeployment – all of which were employed. There is evidence that knowledge was retained well.

Table 104 and Table 105 provide profiles of experience working in various sectors. They indicate that the interviewees for this study had minimal experience in other Civil Service organisations; their existing role was with DoH and previous roles were primarily in the private sector. Useful as private sector experiences may have been, they signal a potential lack of organisational learning from other Civil Service organisations and suggest that talent management mechanisms employed were underutilised.

Redeployment was another mechanism identified. In the Workforce Directorate, there was minimal learning through redeployment, as most of the staff members were on contract and left both the Directorate and DoH; whereas, staff members from NHS CfH were largely redeployed within NHS CfH. Redeployment was much more successful in this organisational unit.

Integrating PBM with Corporate Learning Systems

The results from the three source types related to the routine *Integrating PBM with Corporate Learning Systems* are summarised in Table 106.

Table 106: Corporate Learning – Results Summary

PBO Routine	WD/LP Organisational Unit Sources	ID/IP Organisational Unit Sources
Integrating PBM with Corporate Learning Systems	<ul style="list-style-type: none"> Corporate learning mechanisms identified included corporate PPM CoE, PPM Leadership in the SCS, PPM community of practice, mentoring SROs, and managing corporate change. None of these mechanisms was very strongly supported. 	<ul style="list-style-type: none"> Corporate mechanisms identified included knowledge exchanges, staff exchanges, communities of practice, and changes to the Cabinet Office Professional Skills Framework. Knowledge exchange with NHS organisations and communities of practice were strongly supported.

The WD/LP Organisational Unit source results list additional corporate learning mechanisms that included managing corporate change, and PPM leadership in the SCS. In practice, none of these was highly developed within the Workforce Directorate or DoH. The ID/IP Organisational Unit source results list additional corporate learning mechanisms as knowledge exchange, staff exchanges and communities of practice, which were highly used in practice.

Insights

Overall, the results reveal how the two organisational units created three routines over time that helped to exploit the skills and knowledge of PBM from other Civil Service experiences. The results of the case study suggest that during the NSRIP, the organisational units replied with three modes of learning (with varying success):

- Micro-level individual learning modes. (These were supported and continued to develop; were influenced by the quality of line managers; and take several months to develop.)
- Meso-level directorate learning modes. (These were supported and continued to develop; were influenced by the quality of the PMO's services; and take years to develop.)
- Macro-level corporate learning modes. (These were discussed and attempted, but were not developed; the DoH appreciation for PBM learning was not evident and did not strengthen during the NSRIP.)

These results are consistent with the theories of Prencipe and Tell (2001) and Keegan and Turner(2001:78), who identify three different levels or "learning landscapes" in the organisation: individual, group and organisation. They describe how organisations put a different emphasis on the three learning processes. Type 1 (the explorer) organisations rely primarily on the individual and on experience accumulation. Type 2 (the navigator) organisations focus on implementing individual and group mechanisms for project-to-project learning and focus on knowledge articulation. Type 3 (the exploiter) organisations focus on articulating and codifying knowledge across all three levels.

The results suggest that the ID/IP Organisational Unit was a type 2 (the navigator) learning organisation while the WD/LP Organisational Unit was developing into a type 2 learning organisation. Organisation (i.e. corporate) level learning was weak, while individual and directorate (i.e. group) level learning was relatively developed. The organisational units became type 2 learning organisations by developing the learning systems within their control. Patton (2007) observed that bureaucratic organisations (i.e. FBO) do not inherently have the learning systems to cope with the pace of change presented by projects. This suggests that Civil Service organisations increasing the use of PBO must be aware of the need to develop learning systems. Swan et al. (2010) identify the potential value in reducing the time pressures on projects and actively encouraging a view of the project as a vehicle for learning(Balachandra and Friar, 1997; DeFillippi and Arthur, 1998). Moreover, incentives may usefully be introduced that help to tie individuals to organisational as well as project goals. The suggestion is that a holistic implementation of learning environments is required.

This focus on easing or increasing time pressures and balancing incentive structures between project and organisational goals, may potentially provide a greater likelihood that project members will spend the time and make the effort needed for knowledge articulation and codification by, for example, actually using the project review and knowledge management databases that are designed to support learning. These individual learning incentives appeared to be employed in the longer standing ID/IP Organisational Unit. The WD/LP Organisational Unit as a nascent organisation suffered from a long start-up period and a low level of PBM experience; at first, it struggled to create the space to learn and the incentives for learning. Once these were addressed, the individual learning modes started to be established relatively quickly (i.e. within months).

A greater challenge comes from transforming individual learning into group and organisational learning. Swan et al. (2010) observed the difficulties of accessing previous experience through personal networks alone, suggesting the need to develop more formal means of linking individuals across the organisation. The group and organisations need more elaborate mechanisms. Lindkvist (2008), for example, argues for the deployment of more formal links, termed ‘competence networks’. Numerous other group learning (lessons learned, learning events, recruitment, redeployment, talent management, etc.) and organisational (CoE, Leadership, Communities of Practice, mentoring SROs, etc.) learning mechanisms are identified in this study. The range and depth of these learning mechanisms explains why directorate and organisational learning takes so much longer to develop than individual learning routines. The underlying mechanisms are much more complex and require skilled practitioners to develop them.

4.6.2 Practices that Enable PBM Capabilities - Involved Actors

This section explores the key actors that were involved with the 17 routines that were used to develop PBM capability over time and the success they had in strengthening the routine (see Appendix 28: Project 3 - Key Roles for a summary.) For each routine, the results suggest that one of five roles (Directors, Directors General, PMO, Deputy Directors, and PPM CoE) played focal roles, as summarised in Table 107.

Table 107: Capability Developing Routines and Focal Actors

Proposition	PBM Capability Developing Routines	Focal Actor
P1 – Routines that Align the Organisational Practices of the Policy-making Specialists with those of the PPM Specialists	<ul style="list-style-type: none"> Integrating Specialist Resources Understanding Accountability and Scrutiny in the Civil Service Tempering Project Planning for Policy-making Legitimising the PPM Profession Mediating Between Policy and PPM Specialists 	Deputy Director Director PMO Director Director
P2 – Routines that Enable Value and Purpose to be Effectively Negotiated across Temporal and Organisational Boundaries	<ul style="list-style-type: none"> Building a Compelling Narrative Developing Benefit Realisation Management Establishing and Maintaining a Mandate 	Director General Deputy Director Director General
P3 – Routines that Enable the Flexible Use of Resources	<ul style="list-style-type: none"> Integrating Business Planning across Organisational Units Developing Robust PMO Services Developing a Culture of Continuous Improvement 	Director PMO Director General
P4 – Routines that Integrate Public Review and Scrutiny into Policy-Project Implementation	<ul style="list-style-type: none"> Establishing a Management Framework Leading and Motivating Teams during Rapid Change Developing SROs Experienced in Civil Service PBM 	Deputy Director Deputy Director Director General
P5 – Routines that Exploit the Skills and Knowledge of PBM from other Civil Service Experiences	<ul style="list-style-type: none"> Developing Individual Careers Developing Directorate Learning Systems Integrating PBM with Corporate Learning Systems 	Deputy Director PMO CoE

The results also show that the success of the roles varied between organisational units. A critical analysis of these results leads to further insights on how PBM

capabilities are developed in the Civil Service over time. These are summarised and discussed by organisational unit below.

4.6.2.1 Roles in the WD/LP Organisational Unit

The WD/LP Organisational Unit was nascent at the start of the NSRIP. Routines were created and strengthened by the end of the study period. The PMO and Director General roles succeeded in creating three strong routines:

- Tempering Project Planning For Policy-Makers (PMO),
- Building a Compelling Narrative (Director General), and
- Establishing and Maintaining a Mandate (Director General).

Fourteen routines were not strongly developed (see Table 108) by the end of the programme. The Director General, CoE and (particularly) the Deputy Director struggled to develop four routines (marked with an asterisk in the table), which remained weak:

- Developing SROs Experienced in Civil Service PBM (Director General),
- Leading and Motivating Teams during Rapid Change (Deputy Director),
- Developing Benefit Realisation Management (Deputy Director), and
- Integrating PBM with Corporate Learning Systems (CoE).

Table 108: Underdeveloped Routines in WD/LP Organisation Unit

Focal Actor	Underdeveloped Capability Routines (The most undeveloped routines are marked with an asterisk)
Director	<ul style="list-style-type: none"> • Legitimising the PPM Specialism • Mediating between Policy and PPM Specialists • Understanding Accountability and Scrutiny in the Civil Service • Integrating Business Planning across Organisational Units
Director General	<ul style="list-style-type: none"> • Developing a Culture of Continuous Improvement • Developing SROs Experienced in Civil Service PBM*
PMO	<ul style="list-style-type: none"> • Developing Robust PMO Services • Developing Directorate Learning Systems
Deputy Director	<ul style="list-style-type: none"> • Integrating Specialist Resources • Establishing a Management Framework • Leading and Motivating Teams during Rapid Change* • Developing Benefit Realisation Management* • Developing Individual Careers
CoE	<ul style="list-style-type: none"> • Integrating PBM with Corporate Learning Systems*

The Director (also the SRO) appeared to suffer from a lack of support from the organisation as they arrived in their role and from a lack of understanding of the Civil Service ways of working – something that the Director General did not fully address. The Deputy Director role underperformed, partially as a result of delays in formally assigning an individual to this role and making them accountable for particular routines. As such, leadership and motivation of the team was lacking, as were mechanisms for establishing benefit realisation management. The corporate learnings systems were underdeveloped due to a weak PPM CoE role.

4.6.2.2 Roles in the WD/LP Organisational Unit

The ID/IP Organisational Unit already existed at the start of the NSRIP and many of the identified routines were already established, although some routines were strengthened further.

By the end of the programme, the organisational unit had five strongly developed routines:

- Legitimising the PPM Profession (Director)
- Establishing and Maintaining a Mandate (Director General)
- Developing Robust PMO (PMO)
- Developing Individual Careers (Deputy Director)
- Developing Directorate Learning Systems (PMO).

Even though the organisational unit existed for some time, 14 routines were not strongly developed (see Table 109.) The weakest routines (marked with an asterisk in the table) were:

- Mediating Between Policy and PPM Specialists (Director)
- Building a Compelling Narrative (Director General)
- Tempering Project Planning for Policy-Makers (PMO)
- Leading and Motivating the Team During Rapid Change (Deputy Director)

Table 109: Focal Actor with PBM Capability Development Routines

Focal Actor	PBM Capability Development Routines (The most undeveloped routines are marked with an asterisk)
Director	<ul style="list-style-type: none"> • Legitimising the PPM Specialism • Mediating between Policy and PPM Specialists* • Understanding Accountability and Scrutiny in the Civil Service • Integrating Business Planning across Organisational Units
Director General	<ul style="list-style-type: none"> • Developing SROs Experienced in Civil Service PBM • Building a Compelling Narrative* • Developing a Culture of Continuous Improvement • Establishing and Maintaining a Mandate
PMO	<ul style="list-style-type: none"> • Developing Robust PMO Services • Developing Directorate Learning Systems • Tempering Project Planning for Policy-Makers*
Deputy Director	<ul style="list-style-type: none"> • Integrating Specialist Resources • Developing Benefit Realisation Management • Establishing a Management Framework • Leading and Motivating Teams During Rapid Change* • Developing Individual Careers
CoE	<ul style="list-style-type: none"> • Integrating PBM with Corporate Learning Systems

All four underdeveloped routines appeared to suffer because of policy-makers and because policy-making was not embedded in the approach to PBM. The (Programme) Director role did not successfully mediate between the policy and PPM specialists. The Director General did not fully exploit the Civil Service familiar routine of building a compelling narrative. The PMO was not successful in tempering project planning for policy-makers. Finally, the Deputy Director struggled with motivating staff during rapid change, in particular the permanent generalist policy-making staff members.

4.6.2.3 Insights

Several observations emerge from the results. The first is that multiple roles are involved with developing the routines that address the dominant challenges of PBM (used to derive the five propositions of this study). Each of the propositions has between two and three focal roles. This highlights the need for strong inter-working between roles.

Another observation is that routines operate at a micro-level, meso-level and macro-level, as do actors. DeFillippi and Arthur (1998:135-136) establish three types of role in project-based organisations in the film industry: principals, professionals and apprentices. The principals are described as *“those people behind the initial strategy formation and funding.”* In the film industry the principals are the producers and director. The analogy for principals in this study might be the Director General and the Directors. The professionals are described by DeFillippi and Arthur as *“those hired by the principals to perform particular artistic or commercial competence in support of the adopted strategy.”* In this study, the analogous professionals include the Deputy Director, CoE and PMO roles. Finally, the apprentices are defined as *“interns, and runners at early stages of their careers who are allowed to join the enterprise to perform mundane but necessary tasks.”* In this study, the analogous apprentices include the policy generalists and other staff members.

The third key observation is that, although involved with routines that create PBM capability, each of the actors relies upon FBO routines to develop PBO routines:

- The Deputy Director is involved with motivating staff,
- The PMO is involved with a PBM framework,
- The Director General is involved with developing a mandate,
- The Director is involved with integrating business planning across, organisational units, and
- The CoE is concerned with corporate learning.

This suggests that PBO and FBO routines are not independent – rather, they are interdependent. Deputy Directors must motivate staff in both modes of operating, albeit institutionalised in different ways. Both FBO and PBO will have management frameworks (e.g. financial management, performance management), although the details of the approach might possibly vary. Similarly, mandates, business planning and learning manifest themselves in both FBO and PBO. The inference is that PBM capability is affected by FBM capability. The quality of the routines that supported FBO affects PBO.

Researchers such as Engwall (2003:790) argue against this “lonely phenomena.” The conceptual isolation of projects from the broader organisation, although it may simplify examination and study, is dangerous. Newell et al. (2008) identify a fundamental issue with existing project management research, suggesting that some of the resulting best practices may be flawed. They observe that much of the foundational research on projects assumes that projects have certain

characteristics – they are viewed as being initiated to accomplish pre-specified goals and objectives, within a defined period of time and in a relatively autonomous way. This study illustrates how the PBO was only part of the larger organisational unit, alongside FBO.

4.6.3 Other Research Opportunities

As a result of this research project, other research opportunities exist. These are identified in this section according to opportunities that arise by considering methodological approaches, theoretical considerations, research targets and extensions, generalisation and context, and practitioner focus.

Methodological Approaches

This exploration of PBM used an embedded case study that used semi-structured interviews and historical document analysis. However, there are other research questions related to PBM that would benefit from other methodological approaches, for example:

- An ethnographic methodology to understand how the involved actors create, use and transfer learning between projects and organisations, and
- A quantitative study to understand the relative significance (dominance) of individual routines and the statistical correlations between them.

Theoretical Considerations

The exploration of projectification focused on the development of organisational capability in a public sector context using organisational routines. Other theoretical considerations might include:

- Exploring the creation and transfer of knowledge out of the programme, or
- Looking at how PBM capability is retained in an organisation after projectification or how degeneration is prevented.

Research Target and Extensions

This case identifies routines that were developed in response to the dominant challenges of PBM in the Civil Service. A similar methodology could be used to investigate the routines that Civil Service organisations developed in response to *non-dominant* challenges.

Generalisation and Context

This thesis studied the development of PBM routines during the NSRIP in the DoH. A subsequent study could investigate another public project or another public organisation.

Practitioner Focus

This study produced two capability development frameworks. With a practitioner focus, it may be interesting to investigate how the capability development frameworks could be applied in practice.

This study explored roles involved in developing routines in response to dominant challenges of PBM. With a practitioner focus, it may be interesting to investigate how the roles are also involved with developing routines in response to the dominant challenges that are not distinctive to the Civil Service.

4.7 Conclusions

The Public Sector organisations undergo projectification (Maylor et al., 2006; Midler, 1995; Packendorff and Lindgren, 2014) when they begin to manage a larger portion of their work using projects. This study views successful projectification in the public sector through the lens of organisational capabilities (Dosi et al., 2000; Galbraith, 1973; Leonard-Barton, 1992; Mintzberg, 1979; 1983b; Prahalad and Hamel, 1990; Winter, 2003). This study considers this phenomenon by exploring *How PBM capability is developed over time in the Civil Service*. This study adopts an interpretivist research paradigm supported by a constructionist epistemology, idealist ontology and abductive research strategy. The strategy is operationalized using an embedded case study. The results of Project 3 were derived from a study of two directorates in the DoH responding to the pressures of implementing the NSRIP, considered the largest policy initiative the Department had seen in living memory. This study uses 21 semi-structured interviews and secondary archival sources.

The preceding section included a cross comparison of results from the embedded case, supported by historical documents. Building upon the earlier work of this thesis, this chapter draws together insights, turning them into conclusions. At the end of this study, a number of overall conclusions about projectification in the Public Sector have emerged. These are summarised using three headings: Contextual Conditions Influencing Projectification, Capabilities that Support Projectification and PBM, and Practices that Enable PBM Capabilities.

Contextual Conditions Influencing Projectification

The results of this study, the third of three studies, were derived from an exploration of two organisational units responding to the pressures of implementing the largest policy initiative the DoH had seen in recent memory, the NSRIP. The NSRIP is a typical case, which exemplifies a scenario commonly found in the Civil Service. Organisational Units in the Civil Service were faced with implementing a major policy initiative without sufficient PBM capabilities, but accepted the challenge in deference to ministerial and parliamentary wishes. To clarify the level of analysis, the organisational unit is *a sub-organisation embedded within a larger organisational unit that includes a combination of both PBO and FBO*.

An organisational unit with a greater level of PBO will manage more of its work through projects and will often be supported by a PMO. An organisational unit with greater FBO will manage more of its work hierarchically through functional specialisation.

I argue that taking this insulated view of projects oversimplifies the organisation, obfuscating the realities that practitioners face. To illustrate, I consider the film industry case used by DeFillippi and Arthur (1998). They ignore the reality that the success of a film is determined by critics, public opinion and consumer's decision to pay to enjoy the film or related products. Marketing and sales activities operate in parallel to the production of a film: market testing of the film, advertising campaigns, submissions to festivals and a host of other related activities begin before the film is finished being produced and can endure for many years afterwards. If we broadly label the non-production activities as functional-based, we can surmise that both PBO and FBO are operating at the same time.

I conclude that unravelling the paradox of PBM using a spatial line of reflection demands that PBO and FBO not be erroneously treated as independent modes of operating. My argument is not for or against either form, rather that they must both be considered within a particular organisational unit, as both are relevant. Neglecting to do so obfuscates the realities of policy-project implementation and potential failures.

Capabilities that Support Projectification and PBM

Superficially, these concepts appear to be considered in *matrix management*, which is established in organisational and project management theory. Matrix management acknowledges different types of organising. However, with matrix management, the level of analysis is centred on the individual and their relationship with functional and project managers. A critical consideration is the dual reporting structures of individuals, with a key challenge being juggling the demands of the two types of work. The dominant challenges identified in the research objective of this study demand a higher level of analysis, as the critical consideration is the *dynamics of organising and the capability to organise*.

This study explores the development of PBM capability over time. It specifically explores the shift within an organisational unit from an emphasis on FBO towards an emphasis on PBO, while retaining some aspects of both. Following this same logic, if organisational units can shift in one direction, it follows that they can also shift from a PBO focus towards an FBO focus. There are several defining features of these shifts. One is that a development of one type of organisational capability brings with it a deconstruction of some of the other capabilities and associated routines. Another feature is that the development of PBM capability occurs through the inheritance of pre-existing PBO routines from outside the organisational unit, through actors transforming existing FBO routines into PBO routines and through the expert actors developing new routines. The ability of organisations to efficiently and effectively reconstitute and rebalance FBO and PBO

capability affects project success or failure. Viewed from the perspective of projectification, I have labelled this organisational phenomena *dynamic organising* (as illustrated in Figure 39).

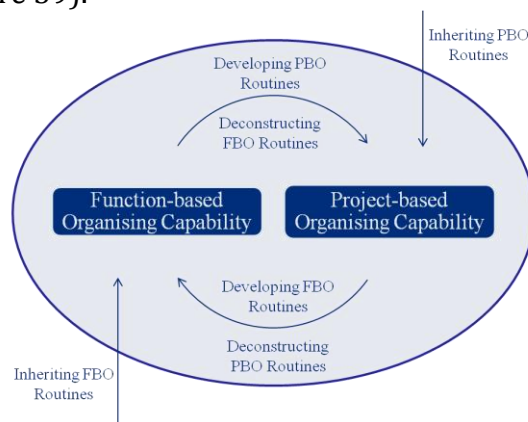


Figure 39: An Organisational Unit with Dynamic PBO

Dynamic PBO is a feature of modern organisations and is increasingly important as organisations shift back and forth between focusing on FBO and focusing on PBO. The conception of dynamic organising does not appear to be well considered in the PBM literature. Instead, PBM is frequently treated as if it were an established state, without considering what to do with pre-existing FBO routines, the challenges of developing or inheriting PBO routines from external sources, or acknowledging that dynamic organising is an ongoing process.

Practices that Enable PBM Capabilities

This project explores the projectification by considering the development of organisational routines over time in response to the five dominant and distinctive challenges of PBM in the Civil Service: *Conflict Between Project Management and Policy-making Specialists, Continual Construction of Value and Purpose, Volatile Nature of Ministerial and Parliamentary Decision-making, Continual Review and Public Scrutiny, and Need to Have Other Civil Service PBM Experience.*

By studying the development of PBM capability, the study also identifies a set of routines that were strengthened in response to the five dominant challenges of PBM in the Civil Service. The study identified 17 relevant routines developed in response to the dominant challenges, of which not all were fully developed even after a significant period of time. Few of the routines were fully developed in both organisational units, while several routines appeared to hamper both organisational units:

- Mediating between Policy and PPM Specialists/Understanding Accountability and Scrutiny in the Civil Service,
- Developing Benefit Realisation Management/Building a Compelling Narrative,
- Developing a Culture of Continuous Improvement,
- Leading and Motivating Teams during Rapid Change, and
- Integrating PBM with Corporate Learning Systems.

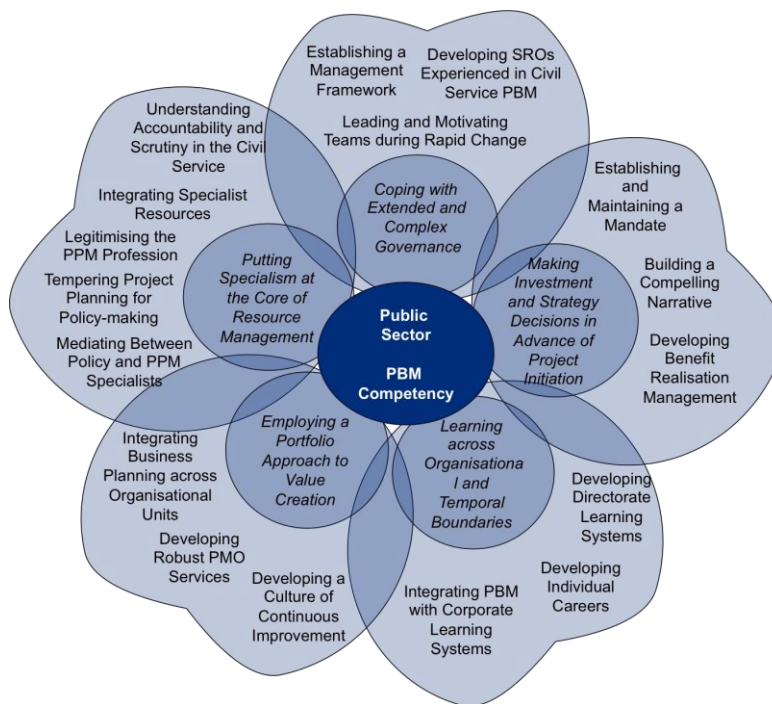


Figure 40: PBM Capability Development Framework

In exploring projectification in the public sector, this project produces a PBM Capability Development Framework that defines the routines that enable PBM Capabilities in the public sector, grouped according to the capabilities of an FPBO (summarised in Figure 40). This study highlights routines from this framework that are underdeveloped, even after many years, and the focal, involved actors. As a typical case, it suggests practices (undeveloped routines) that require special attention in public sector organisations that are undergoing projectification.

This study explores the development of PBM capability and highlights a set of involved actors (discussed in section Table 109.) In this case, given the low starting level of PBM capability, the involved roles primarily have functional roles. However, they were required to support the development of PBM capabilities. When shifting from FBO towards PBO, it is conceivable that some policy-making specialists who are the professionals during FBO become the apprentices during PBM. It is also conceivable that this shift is not recognised with the previous professionals retaining authority and control for “commercial and artistic competencies” which they do not possess. Relying on apprentices is likely to have detrimental consequences for complex policy-project delivery, which demands a higher level of expertise.

One might surmise that these are endemic challenges, which perpetually exist as hazards to projects and potentially lead to failures. It seems that when adopting PBO, these or similar routines will pose difficulties for project-matrix organisations (and possibly others). Two possible options exist: to simply accept these deficiencies or to entirely avoid adopting PBO and these associated difficulties. A wild and naïve acceptance of the deficiencies is potentially risky.

What about the option of avoiding PBM entirely? For this study, PBM is defined as *a form of organising favoured when the work of the organisation is about fast-paced time-limited changes that develop new or additional organisational benefits.*

According to this definition, the option of avoiding PBM entirely suggests avoiding change, which is unlikely in a modern organisation.

There is a middle ground between the two options, which is to moderate the complexity and size of the change so that the deficiencies are not as pronounced and are less likely to have a negative impact. Alternatively, further research might inform the development of PBM capability or propose other alternative organisational options.

4.7.1 Contributions to Research

As a typical case, this study defined routines that respond to five dominant distinctive challenges of developing PBM capabilities in the public sector and actors that are involved. Below are research implications of the study.

Implication R1: The organisational units had to develop PBM capability when only FBM capability existed. PBM is an organisational form that is both the agent and objective of change. (Pellegrinelli, 1997; Pellegrinelli et al., 2007; Pettigrew et al., 2001; Winch et al., 2012)

Implication R2: The impetus for change is not always strong enough to overcome existing professional norms of behaviours (Hodgson, 2004). This study highlights routines that are under-developed, even after many years.

Implication R3: Capability development is a dynamic process. Temporality is important and needs to be considered (Leonard-Barton, 1992; Pettigrew et al., 2001).

Implication R4: Context (i.e. publicness) matters to change (Pettigrew et al., 2001; Söderlund, 2004). This project synthesised a large volume of empirical data to produce a PBM Capability Framework that summarises the relationship between capabilities of FPBOs, PBM capabilities, dominant challenges and the routines developed in response. This study highlights routines that are under-developed, even after many years.

Implication R5: This project synthesised a large volume of empirical data to identify the five focal involved actors involved with the development PBM routines, which routines they were involved with and how successful they were in developing routines. The results demonstrated the need for collaborative working to developing PBM capabilities.

4.7.2 *Contributions to Practice*

As a typical case, this study defined routines that respond to five dominant distinctive challenges of developing PBM capabilities in the public sector and actors that are involved. Below are practitioner implications of the study.

- Implication P1:** The Management Best Practice Guidance (Axelos, 2014a) used by the public sector should be reviewed to consider key ideas that emerged from this study, including multi-level (embedded) contexts, history and pace, PBM as both the agent and object of change, and the need for specialist roles and mediating between them.
- Implication P2:** The policy and PPM skills identified in the PSG Framework should be revised to consider the identified routines and focal roles involved.
- Implication P3:** The research provides empirical evidence that the Departmental Capability Review Programme would benefit from considering the five dominant challenges of PBM and routines that support it.
- Implication P4:** Routines are required to respond to the five dominant challenges of PBM in the Civil Service. When initiating new programmes of work, the strength of these routines should be assessed and, where necessary, steps taken to strengthen the routines.
- Implication P5:** Directors General, Directors, Deputy Directors, PMOs, and Centres of Excellence play important roles in developing PBM capability. Of particular concern is the role of the Deputy Director, which appears to have struggled the most. Leadership and Professional Skills for Government (PSG) should consider the roles focal to developing particular routines.
- Implication P6:** Leadership training in the Civil Service should consider and address the inter-specialist conflict that is encountered during projectification.

Appendix 1: Glossary of Terms

This is a glossary of key terms used in this study.

Term	Definition
Accounting Officer	Each organisation in central civil government (Department, Non-Departmental Public Body, Trading Fund, or Agency) and National Health Service body must have an Accounting Officer, which is usually the senior official in the organisation. The Accounting Officer acts within the authority of a Minister, but they separately have personal responsibility to Parliament for the management and organisation of the
Arm's Length Body	The DoH name for a Non-Departmental Public Body.
Benefit(s)	The measurable improvement resulting from an outcome perceived as an advantage by one or more stakeholders.
Benefits Realisation Management	The identification, definition, tracking, realisation and optimisation of benefits, usually within a programme.
Benefits Realisation	For projects, the practice of aligning the outcome associated with the project with the projected benefits claimed in the Business Case.
Business-As-Usual	See functional-based organising.
Capability	A service, function or operation that enables the organisation to exploit opportunities and risks (derived from Leonard-Barton (1992)).
Central Computing And Telecommunications Agency	A UK government agency providing computer and telecoms support to Government departments. It was formed in 1957 as the Technical Support Unit of HM Treasury focusing on computing hardware and then adopted a mandate of promoting the effective use of Information Systems by the UK public sector. The CCTA developed PRINCE2 for project management and ITIL for IT service management.
Centre of Excellence	A central function performing all or part of the organisation's portfolio, programme, project and risk management, ensuring change is delivered consistently through standard processes and competent staff. This function is expected to provide a focal point for driving the implementation of improvements to increase the organisation's capability and capacity in programme and project delivery.
Centre of Government	The Centre consists of HM Treasury, the Cabinet Office and their Non-Departmental Public Bodies such as the OGC and the NSG.
Challenges	Challenged organisational practices, i.e., organisational practices required to create PBM capability that are missing or are failing in some way.
Complex products and services	High cost, design-intensive products, systems, networks, control units and constructs that are one-off or very low volume endeavours, which are characterised by their technological novelty, and multiple alternatives for design.
Connecting for Health	CfH was established in 2004. It was set up to deliver the National Programme for Information Technology (NPfIT) and to provide central information technology infrastructure and services to the NHS, previously provided by the NHS Information Authority. It was disbanded in 1 March 2013.
Core Capabilities	The embedded or institutionalised knowledge set that distinguishes an organisation and provides it with an (competitive) advantage (Leonard-Barton (1992)).
Departmental Capability Review	A systematic assessment of the underlying delivery capabilities of a government department. The review considers: strategy, delivery and leadership. The results are published openly for comparison, external scrutiny and review. In response to weaknesses identified in the review, the department is expected to define and follow an improvement plan.
Dynamic Organising	The ability of organisations to efficiently and effectively reconstitute and rebalance FBO and PBO Capabilities.
Embedded	Fully incorporated as an inherent part of the organisation, hence, commonplace and familiar.
Enablers	Enabling organisational practices, i.e., organisational practices that are required to create PBM capability.
Functional-based Management	A type of management, whereby more of the work is managed using FBO than FBO.
Functional-Based Organising	A form of organising favoured when the work of the organisation is about managing and operating established services, products or business functions in order to deliver known benefits. It coexists with PBO in typical organisations.

Term	Definition
Health Select Committee	A Parliamentary Committee that examines the DoH spending, policies and administration.
Information Directorate/ Information Projects	The organisational units in this study focused on informatics-related policy-projects during the NSRIP.
Leadership Programme Office	The PMO in the Leadership Division of the Workforce Directorate that supported the leadership projects of the NSRIP.
Matrix Management	A type of management when both PBO and FBO exist in near equal measures.
Maturity	The state reached when a capability is fully developed and embedded. The ability for an organisation to fully exploit opportunities and risks and readily cope with the associated challenges.
Meta-Routines	Organisational constructs or patterns of behaviour, which comprise the procedural memory of general process rather than declarative memory (Acha et al. (2005:255)).
Narrative	A way of dealing with uncertain, complex, and polarized topics of discussion that is familiar to the Civil Service (derived from Roe (2004)). It can help stakeholders make sense of policies and their intent so that they can engage with, contribute to and help to implement them.
National Leadership Council	A national body of national and international experts in leadership with the mandate to improve leadership in the NHS.
National Programme for IT	An initiative by the DoH to move the NHS in England towards a single, centrally-mandated electronic care record for patients and to connect 30,000 general practitioners to 300 hospitals, providing secure and audited access to these records by authorised health professionals.
New Public Management	A broad and very complex term used to describe the wave of public sector reforms throughout the western world starting in the 1980s. The core hypothesis in the NPM-reform wave is that more market orientation in the public sector will lead to greater cost-efficiency for governments, without having negative side effects on other objectives and considerations.
Next Stage Review	A review to determine the course of the NHS over the decade ahead, reporting back to the Prime Minister, Chancellor, and Secretary of State for Health in June 2008.
Non-Departmental Public Body	Also known as a quango (quasi non-government organisation). It is a classification applied by the Cabinet Office, Treasury, Scottish Government and Northern Ireland Executive to public bodies that are not an integral part of any government department and carry out their work at arm's length from Ministers, although
OGC Gateway Reviews™	Independent assurance reviews of major (high-risk) projects in the UK government. They are mandatory, and occur at key decision points within the life cycle of a project. See www.ogc.gov.uk for details.
Organisational Unit	A sub-organisation embedded within a larger organisation that includes some combination of both FBO and PBO.
Policy-project	Projects used in the development or delivery of public policy.
Portfolio Management	A co-ordinated collection of strategic processes and decisions that together enable the most effective balance of organisational change through projects and business-as-usual work.
Professional Services	The OGC definition of professional services includes contracted consultancy, temporary agency staff, and interim personnel.
Portfolio, Programme and Project Office	The decision enabling and support business model for all business change within an organisation. This will include single or multiple, physical or virtual structures, i.e. offices (permanent and/or temporary), providing a mix of central and localised functions and services, integration with governance arrangements and the wider business, such as other corporate support functions.
Professional Skills For Government	Key part of the Government's Delivery and Reform agenda; a major, long-term change programme to ensure that civil servants have the right mix of skills and expertise to deliver effective services.
Programme and Project Management	A term intended to be more inclusive than programme management or project management.
Programme Management	The co-ordinated organisation, direction and implementation of a dossier of projects and activities that together achieve outcomes and realise benefits that are of strategic importance.
Programme Management Office	The function providing the information hub for the programme and its delivery objectives; could provide support for more than one programme.

Term	Definition
Project-Based Management	A type of management, whereby the more of the work is managed using PBO than FBO.
Project-based Organisation	A project-based organisation is one that manages most or all of its working using projects. It coexists with PBO in typical organisations.
Project-Based Organising	A form of organising favoured when the work of the organisation is about fast-paced time-limited change.
Projects IN a Controlled Environment 2	The UK <i>de facto</i> standard for project management developed by the Government and used in both the public and private sectors. The number two refers to its relaunch in October 1996.
Project Management	The planning, delegating, monitoring and control of all aspects of the project, and the motivation of those involved, to achieve the project objectives within the expected performance targets for time, cost, quality, scope, benefits and risks.
Public Accounts Committee	A Parliamentary Committee that works closely with the NAO to scrutinise the accounts of departments and related government bodies, reporting to Parliament. William Gladstone established it in 1861 after the Treasury failed for years to control expenses of the Royal Navy. The PAC does not normally take evidence from ministers; instead, the chief witness is the most SCS of the relevant government department.
Public project	Projects used in the public sector.
Purdah	The period prior to an election, during which government ministers and civil servants refrain from taking decisions or making policy announcements.
Routines	Repetitive, recognisable patterns of interdependent actions involving multiple actors (Feldman and Pentland (2003:95)).
Senior Responsible Owner	The single individual (usually a SCS for Civil Service projects) with overall responsibility for ensuring that a project or programme meets its objectives and delivers the projected benefits. Key tasks include developing the business case, monitoring and liaising with senior management on progress and risks to delivery.
Senior Civil Servant	SCSs are the most senior employees of the Crown with traditional and statutory accountabilities. They may be called to account to Parliament (generally via particular committees such as the Health Committee or PAC), Deputy Directors, Directors, Directors General and Permanent Secretaries who are members of the Senior Civil Service, along with other senior roles.
Whitehall	Another name for the British Civil Service taken from the name of the street in London stretching from Trafalgar Square to the Houses of Parliament, on which many core government offices can be found.
Workforce Directorate / Leadership Projects	The organisational units in this study focused on workforce-related policy-projects during the NSRIP.
Workforce Programme Office	The PMO that supported the business and programme management of the Workforce Directorate, which includes the Leadership Division.

Appendix 2: Project 1 – Quality Assessment (Journal and Citations)

The table below lists the 30 top ranked articles. The table illustrates the process used to assess the quality of articles found by the keyword driven literature search. Each articles is ranked from 0 to 4 according to the Association of Business Schools (2010) journal rankings, the average annual citations in Google Scholar (2014) and length of the article. Articles ranked below ‘one’ across all three categories were excluded. Articles ranking above ‘one’ in all categories were included. A judgement was made on the others following a review of title and abstract. Several articles were discovered through other means and ‘added’.

Authors, Primary	Article Title	Pub Year	Cranfield 2017 Journal Quality (0-4)	ABS 2010 Journal Rankings	Journal Quality Ranking	Google Scholar - Total Citations	Google Scholar - Average Annual Citations	Contribution Ranking	Pages	Rigour Ranking	Journal, Citation and Rigour Rankings > 0	Included
Teeco, D. J.; Piano, G.; Shuen, A.	Dynamic Capabilities and Strategic Management	1997	4	4	4	18406	1082.7	4	25	4	yes	1
Dimaggio, Paul J.; Powell, Walter W.	The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields	1983			4	25673	828.2	4	14	2	yes	1
Grant, Robert M.	Toward a Knowledge-Based Theory of the Firm	1996	4	4	4	10377	576.5	4	14	2	yes	1
Bowman, C.; Ambrosini, V.	What are Dynamic Capabilities?	2009	3	3	3	1735	347.0	4	25	4	yes	1
Hall, P. A.; Taylor, R. C. R.	Political science and the three new institutionalisms	1996	4	4	2	4780	265.6	4	22	4	yes	1
Leonard-Barton, D.	Core capabilities and core rigidities: a paradox in managing new product development	1992	2	2	4	5651	256.9	4	16	3	yes	1
Hood, Christopher	A Public Management for All Seasons?	1991	4	4	3	5742	249.7	4	17	3	yes	1
Garvin, David A.	Building a learning organization	1993	3	3	4	5223	248.7	4	14	2	yes	1
Thelen, Kathleen	Historical Institutionalism in Comparative Politics	1999	4	4	3	3542	236.1	4	36	4	yes	1
Feldman, M.S.; Pentland, B.T.	Organisational Routines as Unit of Analysis	2005	3	3	3	1735	192.8	4	23	4	yes	1
Bowman, C.; Ambrosini, V.	How the Resource-based and the Dynamic Capability View of the Firm Inform Corporate Level-Strategy	2003	3	3	4	1735	157.7	4	15	2	yes	1
Feldman, M.S.; Pentland, B.T.	Reconceptualisation Organisational Routines As a Source of Flexibility and Change	2003	3	4	2	1735	157.7	4	25	4	yes	1
Van de Ven, Andrew H.; Poole, Marshall Scott	Explaining development and change in organizations	1995	2	2	4	2591	136.4	4	31	4	yes	1
Hood, Christopher	The "new public management" in the 1980s: Variations on a theme	1995	4	4	4	2288	120.4	4	17	3	yes	1
Eisenhardt, K. M.	Making Fast Strategic Decisions in High-Velocity Environment	1989	4	4	4	2892	115.7	4	34	4	yes	1
Dunleavy, Patrick; Margetts, Helen; Bastow, Simon; Tinkler, Jane	New Public Management Is Dead—Long Live Digital-Era Governance	2006	4	4	4	701	87.6	4	28	4	yes	1
Pentland, B.T.; Feldman, M.S.	Organisational Routines as Grammers of Action	1994	4	4	2	1735	86.7	4	27	4	yes	1
Becker, M. C.	Organizational Routines: a review of the literature	2004	2	2	3	728	72.8	4	35	4	Added	1
Tolbert, Pamela S.; Zucker, Lyryne G.	Institutional Sources of Change in the Formal Structure of Organizations: The Diffusion of Civil Service Reform, 1880-1935	1983	3	3	2	2165	69.8	4	18	3	yes	1
Denhardt, Robert B.; Denhardt, Janet Vinzant	The New Public Service: Serving Rather than Steering	2000	2	2	4	926	66.1	4	11	2	yes	1
Cooke-Davies, T.	The "real" success factors on projects	2002	4	4	2	790	65.8	4	6	1	yes	1
Adams, Richard; Bessant, John; Phelps, Robert	Innovation management measurement: A review	2002	2	2	3	60.6	60.6	4		4	yes	
Boyer, G.	Public and private management: what is the difference	2006	3	3	4	485	59.2	4	27	4	yes	1
Hobday, M.	The project-based organisation: an ideal form for managing complex products and systems?	2000	4	4	4	803	57.4	4	23	4	yes	1
Gann, D.M.; Salter, A.J.	Innovation in project-based, service-enhanced firms: The construction of complex products and systems	2000	4	4	4	790	56.4	4	18	3	yes	1
Hobday, M.	The project-based organisation: an ideal form for managing complex products and systems?	2000	4	4	4	762	54.4	4	23	4	yes	1
Moynihan, Donald P.; Pandey, Sanjay K.	The Role of Organizations in Fostering Public Service Motivation	2007	4	4	4	356	50.9	4	14	2	yes	1
Hobday, M.	Product complexity, innovation and industrial organisation	1998	4	4	4	794	49.6	4	22	4	yes	1
Olsen, Johan P.	Maybe It Is Time to Rediscover Bureaucracy	2006	4	4	4	382	47.7	4	24	4	yes	1

Appendix 3: Project 2 - NSRIP – List of Projects

The NSRIP was the largest policy programme the DoH had seen in living memory, according to seasoned policy makers in the Department and government publications. It was a complex programme with 70 projects grouped into nine policy themes: leadership, constitution, policy evaluation, innovation, informatics, primary care and community services (PCCS), prevention, quality and workforce planning, education and training (WPET). It introduced new policy considerations with only four of the nine policy themes pre-dating the NSRIP: informatics, prevention, PCCS, and WPET.

Theme	Projects
Quality Project	Quality Metrics
	Quality Accounts
	National Quality Board (NQB)
	Regional structures
	National Institute of Health and Clinical Excellence (NICE) – Expanding Role
	National Institute of Health and Clinical Excellence (NICE) - Faster guidance
	PCT decisions on funding
	Commissioning and Quality Innovation (CQUIN)
	National patient safety initiative
	Never events
	Pharmaceuticals
	Medical Devices
	Foundation trust status
	Tariff
	Care Quality Commission (CQC)
	Clinical Excellence Awards
	Co-payments
Innovation Projects	Academic Health Science Centres
	Funds
	Prizes
	Duty
	NHS Evidence
Workforce Planning, Education, and Training Projects	Modernising Careers – Doctors, Dentists, Pharmacists, Healthcare Scientists
	Modernising Careers – Nursing, Midwives and AHPs and Wider Healthcare Team
	Workforce Planning
	Education Funding
	Education commissioning and Provision
	Pensions
	Staff Satisfaction
	Values
	Modernising Careers – Doctors, Dentists, Pharmacists, Healthcare Scientists
Leadership	Masters Programmes
	Top 250 Leaders
	Clinical Leadership Fellows
	Leadership for quality
	Trust Board Development
	Undergraduate and Postgraduate curricula
	Leadership Council
Informatics Projects	Poorly performing leaders
	NHS Choices
	HealthSpace
	Clinical Dashboards
	Mystaffspace
Commissioning	Health Informatics Review
	Social enterprises

Theme	Projects
	Transforming Community Services (TCS) - Organisational forms
	Transforming Community Services (TCS) - models and datasets
	Transforming Community Services (TCS) - National Contract incl. Metrics and Currency & Pricing Framework
	Transforming Community Services (TCS) - Quality Framework
	World Class Commissioning (WCC) -Community Services Resource Toolkit
	Fairer Funding Formula for GPs
	GP Access Programme
	GP Choice
	Patient Prospectus
	Quality and Outcomes (QOF) Framework
	Practice-based Commissioning (PBC)
	Three digit number (3DN)
	Personalised Longterm Care (LTC) plans
	Personal Budgets
	Integrated Care Pilots (ICOs)
	Primary Care Trust strategic plans
	World Class Commissioning assurance system
Constitution	Constitution
Policy Evaluation	Policy

Appendix 4: Project 2 - Interview Schedule

This appendix lists the schedule of meetings held for collecting data for this case study. The preliminary interviews were informal and used to inform the design of the case, methodology and initial list of interviewees for the in-depth interviewees. The individuals here are different from those interviewed later for Project 3.

Title / Role	Identifier	Interview Date	Type
OGC	1	12-Jan-09	Preliminary
OGC	2	19-Jan-09	Preliminary
OGC	3	28-Jan-09	Preliminary
Central Resource	1	01-Mar-09	Preliminary

Preliminary Interview Schedule

Title / Role	Identifier	Interview Date	Type
Policy Lead	3	05-Mar-09	In-Depth
Executive	3	11-Mar-09	In-Depth
Policy Lead	2	11-Mar-09	In-Depth
PPM Manager	1	11-Mar-09	In-Depth
Central	1	14-Mar-09	In-Depth
Central	3	31-Mar-09	In-Depth
Executive	4	31-Mar-09	In-Depth
Executive	6	31-Mar-09	In-Depth
PPM Manager	2	31-Mar-09	In-Depth
Central	4	02-Apr-09	In-Depth
Executive	1	02-Apr-09	In-Depth
PPM Manager	3	02-Apr-09	In-Depth
Executive	2	03-Apr-09	In-Depth
Executive	5	06-Jun-09	In-Depth
BL	4	26-Aug-09	In-Depth
BL	3	02-Sep-09	In-Depth
BL	1	03-Sep-09	In-Depth
BL	2	03-Sep-09	In-Depth
Central	2	10-Sep-09	In-Depth
Policy Lead	1	24-Sep-09	In-Depth

In-depth Interview Schedule

Appendix 5: Project 2 - Pre-interview Briefing

The pre-interview briefing project 2 is below. It was sent out to interviewees before interviews took place.



Pre-interview Briefing

Project-based Organising in the Civil Service



Purpose

This interview will contribute to the second phase of a three-phase doctoral research programme being conducted by Andrew Schuster at the Cranfield School of Management. This phase is empirical field research designed to investigate project sponsor, manager and stakeholder insights into project-based organising in the Civil Service. The interview will be used for the development of a case study built from a composite of individual programme-centric interviews. The proposed departments for study include the Department of Health (DH), HM Revenue and Customs (HMRC), Department for the Environment, Farming, and Rural Affairs (DEFRA), and Department of Business, Enterprise, and Regulatory Reform (BERR). These case studies will be used by the interviewer to develop his doctoral thesis and potentially for later publication if deemed appropriate.

Potential Benefits

It is intended that the case study be used not only for academia but also by practitioners and leaders. From a practical perspective, the case study could conceivably be made available to your department to inform discussions on governance and sponsorship, talent development, capability development, management systems, programme and project strategy, values and behaviours, performance management, or other equally challenging topics.

Interview Questions:

Of particular interest will be the following areas of inquiry:

1. The nature and number of programmes or projects overseen.
2. The capabilities you believe the department needs if it is to be effective at using programme and project management to deliver its agenda?
3. The way you assess the necessary capabilities for your programme/project and the areas you feel need development.
4. The way you go about acquiring project-based organising capabilities. The support for capability development offered to you from the corporate centre.
5. The challenges you faced in getting or building these capabilities for your programme or project. Your perception on whether these challenges are unique to the public sector.
6. The lessons learned that might benefit other programmes / projects.

Background

Projects are increasingly being used as a vehicle for managing work in central civil government organisations. Growth in the use of project-working was propelled by the *Improving Programme and Project Management Delivery* report published by the Prime Minister's Office of Public Service Reform in 2003 and the ensuing efforts of departments across Whitehall. Unfortunately, there is relatively little research on how organisations develop project-based organising capabilities or how the 'publicness' of an organisation affects the development of these capabilities. Presently, robust pre-existing research in this area is not available to the Civil Service.

The first phase of this research programme, a systematic review of the literature, identified the emergence Project-based Organising as a new field of management, which exists at the confluence of the organisational behaviour, strategy, and project management literature. Given its novelty, there is a lack of consensus and well established theories about the project-



Pre-Interview Briefing

Project-based Organising in the Civil Service



based organisation, but it did suggest key dynamics and principles of project-based organising.

This phase of the research programme, an empirical project, is design to progress thinking by investigating the realities and challenges of developing project-based organisations in the Civil Service.

Research Design

Semi-structured interviews are to be conducted with Senior Responsible Owners, Programme Directors, and Programme Managers responsible for key programmes or projects in your organisation. It is anticipated that the interviews will be approximately 50 minutes in length. Interviews will be recorded and transcribed (with the advance permission of interviewees). The text of the interviews will be made anonymous, coded, and then analysed, along with the text from other interviews. The analysis will attempt to identify key quotes, concepts, themes and insights.

Proposed next steps

- Agree to participate in an interview
- Consider whether you agree to having the interview transcribed into text
- Consider any documentation that might be useful for the researcher to review
- Consider other people in your programme, project or organisation that you would recommend be interviewed

Interviewer Biography

Andrew Schuster is a researcher, author and practitioner of project-based management and strategy with a particular interest in public sector reform and project management offices. Presently, he is an Assistant Director in the National Health System on secondment from the Department of Health and a doctoral candidate at Cranfield School of Management. He has been an associate of the National School of Government where he has lectured on risk management topics and has been invited to business schools in the UK and Canada to lecture on Programme, Project and Risk Management practice.

Andrew has over 20-years professional experience working in the telecommunications, information technology and public sectors. Andrew co-authored the book "Management of Risk - Guidance for Practitioners" published in 2007 by the Office of Government Commerce. He is a Certified Management Consultant, accredited Project Management Professional, accredited high-risk OGC Gateway™ reviewer, Fellow of the Institute of Business Consulting, and Fellow of the RSA.

Interviewer Contact Details

Andrew Schuster

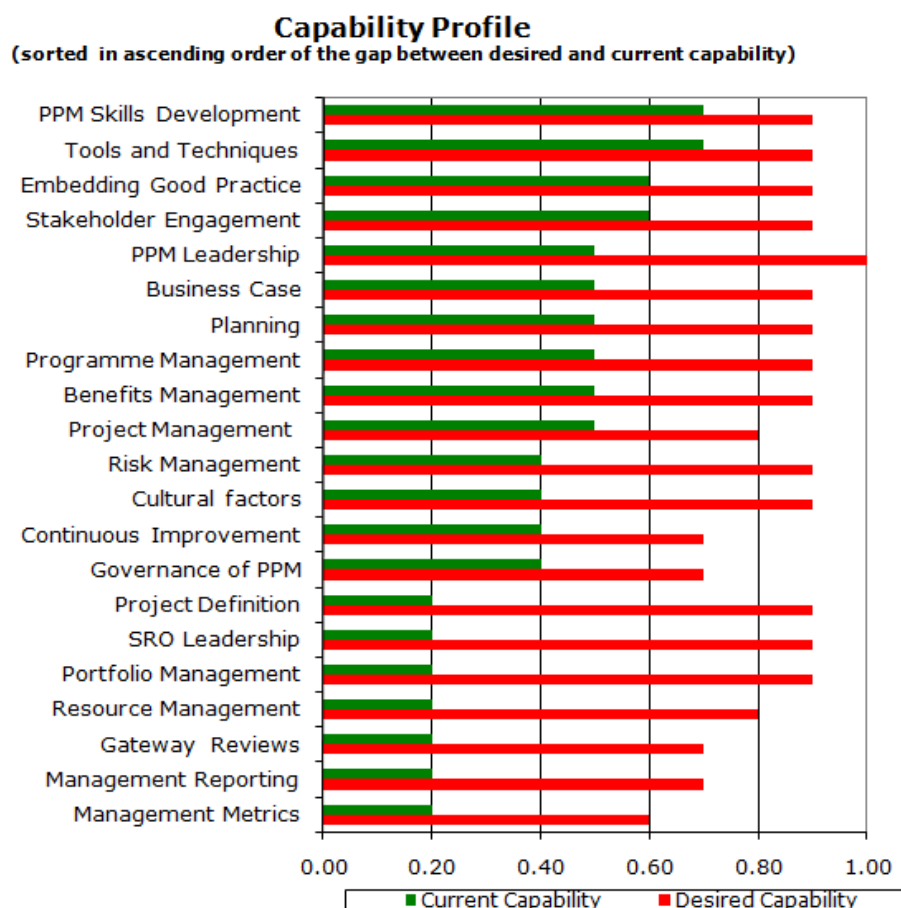
andrew.schuster@cranfield.ac.uk

077 2915 1296

Appendix 6: Project 2 - PPM Capability Profile of DoH

One individual in the Corporate PPM Centre of Excellence rated the PPM capability of the DoH in 2009 according to a template developed for the PPM Council, which is composed of representative of PPM from across civil service departments and is chaired by the OGC. Although this provides a perspective on DoH capability, it may not fully reflect the capability in the individual directorates supporting the NSRIP.

The bar chart below plots the ratings of current and desired capability in particular areas of interest, sorted in ascending order of the gap between the desired and current state. The meaning of the scale in the assessment instrument is not clearly defined. Nonetheless, it does indicate that the largest perceived gaps exist for project definition, SRO leadership, portfolio management, resource management, PPM leadership, Risk management, and cultural factors. While there is perceived to be a smaller gap between the desired and current state for stakeholder engagement, project management, continuous improvement, governance of PPM, PPM skills development, and tools and techniques.



Appendix 7: Project 2 – Sources Identifying Enablers of PBM

For Project 2, 38 enablers of PBM were identified. A range of source types identified challenges: executive (exec), central, programme and project manager (PPM). Thirteen enablers of PBM were broadly identified across source types (nine frequently) and (four less frequently). Six of the enablers of PBM, marked with ‘*’, were narrowly identified by a small group. Dominant enablers (frequently and broadly identified are marked with a ‘**’. Enablers distinctive to the public sector are emboldened.

Capabilities of an FPBO	Enablers of PBM (Broadly and Frequently identified are emboldened)	Source Count	Exec	Central	PPM	BL	PL
Focusing on Innovative One-Off Complex Undertaking	Effective Use of Consultancy **	14	X	X	X	X	X
	Launching New Initiatives and Changing Scope	6	X		X		
	Pace and Urgency *	3	X				
Putting Specialism at the Core of Resource Management	Managed Cadre of PPM Specialists **	13	X	X		X	X
	Effective SROs **	8	X	X	X		X
	PPM Talent Management	8	X	X	X	X	
	PBM Career Structure	6	X	X			X
	PBM Head of Profession *	6		X		X	X
Making Investment and Strategy Decisions in Advance of Project Initiation	Unifying Management Framework **	14	X	X	X	X	X
	PBM Investment Decisions Are Linked to Business Plans **	13	X	X	X	X	X
	Work Commissioned by Senior Team	8	X		X		X
	Work Managed Collectively by the Leadership Team	7	X	X		X	
	Explicitly Defined Benefits and Risks	5	X			X	X
	Finance at the Centre of Decision-Making *	4				X	X
	Executive Level Change Control *	2			X		
Employing a Portfolio Approach to Value Creation	Flexible Use of Resources **	10	X	X	X	X	X
	Efficient Resource Allocation **	8	X	X	X	X	X
	Bringing Work to an End	7	X			X	X
	Programme and Project Initiation	5	X	X	X		X
Coping with Extended and Complex Governance	Appropriate Sponsorship	4	X		X		X
	Co-production with Stakeholders	5	X		X		X
	Engaging Stakeholders	5	X		X		X
	External Assurance	6	X	X		X	
	Management and Performance Information	5	X		X	X	
Learning across Organisational and Temporal Boundaries	Corporate Tools and Methodologies **	13	X	X	X	X	X
	PPM Capable Policy-Makers **	12	X	X	X		X
	Aligned Policy and Project Language **	7	X	X	X	X	X
	Impactful PPM Centre of Excellence	6	X	X	X	X	
	Service-Oriented Corporate Services *	3				X	X
	High Calibre Local Induction	3	X	X			
	Consultants Partnering with Policy-Makers	3	X		X		X
Facilitating Organisational Change	Formal Reviews	2	X			X	
	PBM Capable SCS **	14	X	X	X	X	X
	Appropriate PMO Services **	15	X	X	X	X	X
	Conceiving PBM as Managing Change **	9	X	X	X	X	X
	PMO as an Enabler of Change	8	X	X		X	X
	Appropriate PMO Skills	7	X	X	X	X	X
	Appropriate PMO Structure *	2				X	X

Appendix 8: Project 2 – Sources Identifying Challenges of PBM

For Project 2, 28 Challenges of PBM were identified (RQ8) by a range of source types: Executive (exec), Central, PPM manager (PPM), Business Lead (BL), and Policy Lead (PL). Sources identifying challenges are marked with an X when relevant. Eleven frequently identified challenges of PBM were broadly identified across source types (i.e. at least four of the five sources) and are marked with an ‘**’ in the table. Challenges distinctive to the public sector are emboldened.

Capabilities of a FBPO	Challenges of PBM (Dominant challenges are in bold)	Source Count	Exec	Central	PPM	BL	PL
Focusing on Innovative One-Off Complex Undertaking	Consultants Can be Over Used **	7	X	X	X	X	
Putting Specialism at the Core of Resource Management	Conflict Between Project Management and Policy-making Specialists **	14	X	X	X	X	X
	Need for Professional Leadership of the PBM Profession	4	X	X		X	
	Policy-makers Must Have Strong PPM Skills	3	X		X	X	
	Require a PPM Specialism for Complex PBM	3		X		X	
	Encouraging Apprenticeship	1				X	
Making Investment and Strategy Decisions in Advance of Project Initiation	Need for a More Comprehensive Management Framework **	14	X	X	X	X	X
	Work Must be Commissioned More Formally and Clearly	4	X		X		X
	Leadership Team must Function as a Collective	3	X	X	X		
Employing a Portfolio Approach to Value Creation	More Decision-makers Involved with Local Priority Setting **	7	X	X	X	X	
	Continual Construction of Value and Purpose **	5	X	X	X	X	
	Must be Able to Bring Work to An End Smoothly	3		X			X
	Risk and Benefit Management	3		X		X	
	Must be Able to Launch and Manage Large Cross-Cutting Pieces of Work	2	X	X			
	Must be Able to Move Resources To Priority Areas Across the Organisation	2		X	X		
Coping with Extended and Complex Governance	Volatile Nature of Ministerial and Parliamentary Decision-making **	9	X	X	X	X	X
	Senior Level Must be Practised in Using PPM **	6	X	X	X	X	
	Continual Review and Public Scrutiny **	5	X	X	X	X	
	Accountabilities Must be Clear	4		X	X		
	A More Structured Approach to Working with Stakeholders is Required	3	X		X		
	Management Requires Support in Gathering Decision-Making Information	2	X		X		
Learning across Organisational and Temporal Boundaries	Require a Systematic Process For Learning From the Past **	10	X	X	X	X	X
	Need to Have Other Civil Service PBM Experience **	6	X	X	X	X	
	PPM CoE Must be Visible and Active	3		X	X		X
	High Quality Local Induction Required	3		X	X		
	HR Services Must be Strong	3		X		X	X
Facilitating Organisational Change	Missing Core PMO Services **	6	X		X	X	X
	Creating An Imperative For Action	3	X			X	X

Appendix 9: Project 2 – PBM Capability Model (Enablers and Challenges)

Capability Dimension	Assessment Theme	PBM Enabler (Dominant are in bold)	PBM Challenge (Dominant are in bold)
Values and Norms	Ability to Mobilise Rapidly	• Pace And Urgency	• Creating An Imperative For Action
	Probity and Accountability	• Work Managed Collectively By The Leadership Team	• Leadership Team must Function as a Collective • Continual Review and Public Scrutiny
	Strategic Approach to Change	• Conceiving PBM as Managing Change • PMO as an Enabler of Change • Co-Production With Stakeholders	• Volatile Nature of Ministerial and Parliamentary Decision-making
Managerial Systems	An Established Management Framework	• Appropriate Sponsorship • Formal Reviews • Unifying Management Framework • Work Commissioned by Senior Team	• Need for a More Comprehensive Management Framework • Accountabilities Must be Clear • Work Must be Commissioned More Formally and Clearly
	Appropriate PMO Services and Capabilities	• Appropriate PMO Services • Appropriate PMO Skills • Appropriate PMO Structure	• Missing Core PMO Services
	Appropriate Use of Consultancy	• Effective Use of Consultancy	• Consultants Can be Over Used
	Business Planning and Portfolio management	• Bringing work to an end • PBM Investment Decisions Are Linked to Business Plans • Efficient Resource Allocation • Executive Level Change Control • Elegance in Launching New Initiatives and Changing Scope • Programme And Project Initiation	• Continual Construction of Value and Purpose • Must be Able to Launch and Manage Large Cross-Cutting Pieces of Work • Must be Able to Bring Work to An End Smoothly • Must be Able to Move Resources To Priority Areas Across the Organisation
	Corporate PPM Centre of Excellence	• Impactful PPM Centre of Excellence • PBM Head of Profession	• Need for Professional Leadership of the PBM Profession • PPM CoE Must be Visible and Active
	Professional Collaboration	• Aligned Policy and Project Language • Consultants Partnering with Policy-Makers • Managed Cadre of PPM Specialists • PBM Career Structure • PPM Talent Management	• Conflict Between Project Management and Policy-making Specialists • Require a PPM Specialism for Complex PBM
Skills and Knowledge	Corporate Learning Knowledge Management	• Corporate Tools and Methodologies • Service-Oriented Corporate Services	• Require a Systematic Process For Learning From the Past
	Leadership and SRO's Skilled in PBM	• Effective SROs • External Assurance • PBM Capable SCS	• Senior Level Must be Practised in Using PPM
	Policy-Makers Skilled in PBM	• High Calibre Local Induction • PPM Capable Policy-Makers	• Encouraging Apprenticeship • Policy-makers Must Have Strong PPM Skills • Need to Have Other Civil Service PBM Experience • High Quality Local Induction Required
Technical Systems	Financial Management	• Finance at the Centre of Decision-making	
	Performance Management	• Management and Performance Information	• Management Requires Support in Gathering Decision-Making Information
	Resource Management	• Flexible Use of Resources	• Must be Able to Move Resources To Priority Areas Across the Organisation • HR Services Must be Strong
	Risk & Benefits Management	• Explicitly Defined Benefits and Risks	• Risks and Benefits Must be Managed More Formally
	Stakeholder Management	• Engaging Stakeholders	• A More Structured Approach to Working with Stakeholders is Required

Appendix 10: Project 3 - Secondary Sources

Below is a detailed list of the secondary sources used in Project 3. The source types include central (relevant to all departments), DoH, and NSR. Source types are also either common to many areas, or specific to either leadership or IT.

Source Type	Source	Report Title	Year
Central Common	NAO	Central Government's Use of Consultants (HC 128)	2006
Central Common	Cabinet Office	Capability Reviews – Progress and Next Steps	2007
Central Common	NSG	Take-off or Tail-off – An evaluation of the Capability Review Programme	2007
Central Common	PAC	Central Government's Use of Consultants (HC 309)	2007
Central Common	NAO	Good Government – A Paper for the Public Administration Select Committee	2008
Central Common	PAC	Learning and Innovation in Government (HC 562)	2009
Central Common	PAC	Assessment of the Capability Review programme (HC 618)	2009
Central Common	NAO	Assessment of the Capability Review Programme (HC 123)	2009
Central Common	OGC	Programme and Project Management Profession – State of Play	2009
Central Common	NAO	Commercial Skills for Complex Government Projects (HC 962)	2009
Central Common	NAO	Helping Government to Learn (HC 129)	2009
Central Common	PAC	Central Government's Use of Consultants and Interims (HC 610)	2010
Central Common	NAO	Central Government's Use of Consultants and Interims (HC 488)	2010
Central Common	NAO	Reorganising Central Government (HC 452)	2010
Central IT	NAO	Delivering Successful IT-Enabled Business Change (HC 33-I)	2006
Central IT	PAC	Delivering Successful IT-Enabled Business Change (HC 113)	2007
Central IT	NAO	Information and Communications Technology In Government – Landscape Review	2010
DoH Common	Cabinet Office	Capability Review – DoH	2007
DoH Common	Cabinet Office	Capability Review – DoH: One Year On	2008
DoH Common	HSC	High quality care for all – NHS Next Stage Review Final Report (CM 7432)	2008
DoH Common	Cabinet Office	Capability Review – DoH: Progress and Next Steps	2009
DoH Common	HSC	Next Stage Review (CM 53i)	2009
DoH Common	HSC	The Government Response to Health Select Committee Report on The Next Stage Review (CM 7558)	2009
DoH Common	DoH	The Operating Framework for the NHS in England 2010-11	2009
DoH Common	HSC	The Use of Management Consultants by the NHS and the DoH (HC 28)	2009
DoH Common	HSC	The Government's response to the Health Select Committee's report on the use of consultants (CM 7683)	2009
DoH Common	DoH	Departmental Report 2009	2009
DoH Common	DoH	Resource Account 2009-10	2010
DoH Common	NAO	The NAO's work on the DoH	2010
DoH IT	PAC	The National Programme for IT in the NHS (HC 390)	2007
DoH IT	HSC	The Government Response to Health Select Committee Report on electronic patient record (CM	2007

Source Type	Source	Report Title	Year
		7264)	
DoH IT	DoH	Health Informatics Review	2008
DoH IT	DoH	Informatics Planning 2010-11	2009
DoH IT	PAC	The National Programme for IT in the NHS – Progress Since 2006 (HC 153)	2009
DoH IT	NAO	The National Programme for IT in the NHS – Progress since 2006	2010
DoH IT	DoH	The Future of the National Programme for IT	2010
DoH Leadership	DoH	Inspiring Leaders – Leadership for Quality	2009
DoH Leadership	DoH	The Design and Establishment of the Leadership Council	2009
DoH Leadership	DoH	National Leadership Council – Annual Report	2010
DoH Leadership	DoH	The Healthy NHS Board – Principles for Good Governance	2010
NSR IT	NHS CfH	Clinical Dashboards – Project Initiation Document	2008
NSR IT	NHS CfH	Outline Business Case Template	2008
NSR IT	NHS CfH	NHS Gateway – Project Initiation Document	2009
NSR IT	NHS CfH	Staff Induction – Topics	2009
NSR IT	OGC	OGC Gateway Review – Managed Early Closure Review Report For NHS Gateway Programme (confidential and restricted)	2010
NSR IT	NHS CfH	NHS Gateway Phase 1 – Post Project Lessons Learned Report	2010
NSR IT	DoH	Christine Connelly, Director General Informatics – Biography	2010
NSR IT	NHS CfH	Informatics Directorate – Organisations Structure	2010
NSR IT	Informatics Directorate	IM and T Business Case Evaluation – Template	2010
NSR IT	Informatics Directorate	IM and T Business Case Guidance – The Five-case Model	2010
NSR IT	Informatics Directorate	IM and T Preferred Bidder Letter – Template	2010
NSR IT	Informatics Directorate	IM and T Standard Risk Register – Template	2010
NSR Leadership	Leadership Division	Workforce Leadership Division – Organisation Structure	2008
NSR Leadership	DoH	Staff Survey Results	2007-10
NSR Leadership	Leadership Division	Project Plans (various)	2008-10
NSR Leadership	Workforce Directorate	Senior Management Team – Performance Reports (various)	2008-10
NSR Leadership	Workforce Directorate	Workforce Leadership Division – Better Change Management	2009
NSR Leadership	Leadership Division	Induction Pact – Key Information Source List	2009
NSR Leadership	Leadership Division	Induction Pack – Welcome and Basic Information	2009
NSR Leadership	Leadership Division	Leadership Narratives	2009
NSR Leadership	Workforce Directorate	Workforce Leadership Division – Organisation Structure	2009
NSR Leadership	Leadership Division	Key Risks Rating Key	2009
NSR Leadership	DoH	Clare Chapman, Director General Workforce – Biography	2010
NSR Leadership	Leadership Division	Workforce Leadership Division – Organisation Structure	2010

Appendix 11: Workforce Management Framework - Outline

The Management Framework set out the shared ways of working in the Directorate, focusing on governance and decision-making, staff engagement and communications, business planning, performance management, business management routines, and business improvement. An enabler of PBM identified in the results of project 2 is Unifying Management Framework. Below are extracts from the “Management Framework,” published by the Workforce Directorate.

Foreword

The management framework outlined below summarises the Directorate's shared ways of working based on Corporate DH policies. It provides a useful contribution to Deputy Directors' development and can be used as a useful input for skills building.

The core components of the management framework are:

- **Governance and decision-making**
- **Staff engagement and communications**
- **Business planning**
- **Performance management**
- **Business Management routines**
- **Business improvement**

Detailed guidance on each of these areas is being developed with Deputy Directors and their teams so we can take the opportunity to make sure we are simplifying our practices wherever possible.

We will evolve the content of this framework over time based on feedback from the Deputy Directors and their policy teams on what works and what needs to improve.

The Management Framework was focused at the Deputy Director level and made their role explicit. It also provided reference tools, which included DoH and NHS values, staff pledges and the Civil Service Leadership Model.

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▪ DH Values	27
▪ NHS Values	28
▪ Staff pledges	29
▪ Civil service leadership model	30



Appendix 12: Workforce Management Framework - Performance Management

The Workforce Directorate Management Framework (see Appendix 11: Workforce Management Framework - Outline) included a section on performance management. The system operated at the directorate, team and individual levels.

Performance management



Deputy Directors will continually review performance at directorate, team and individual levels to support improvement. They:

Directorate and Team objective setting

- Annually identify and agree performance metrics for each of the 4 directorate Performance Scorecard Quadrants: resources, business improvement, delivery, and feedback
- Set Directorate and team targets for each metric

Directorate and team action planning

- Seek feedback from partners, stakeholders, and staff on performance
- Assess performance data in the monthly Performance Scorecard and identify areas of concern to policy areas
- Continue to evolve and deliver local business improvements
- Seek feedback from partners, stakeholders, and staff on performance

Individual objective setting

- Set individual targets and success criteria
- Agree personal development plans

Individual action planning

- Discuss individual team members performance on a regular basis, identifying successes and challenges in order to provide real-time coaching
- Review progress against Personal Development Plans
- Identify and manage root causes of individual team member's absenteeism
- Monitor health and wellbeing of staff and agree action plan with staff

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At the directorate and team level, a balanced scorecard with quadrants for resources (finance, staff), delivery, business improvement and staff satisfaction was produced to regularly to show trends. An enabler of PBM identified in the results of Project 2 is *Management and Performance Information*.

Summary Performance - Traffic Light

ACCOUNTABILITY			
FINANCE – [Is the current expenditure in line with profiles and budgets]			
PERFORMANCE AREA	PREVIOUS PERFORMANCE	CURRENT PERFORMANCE	FORECAST PERFORMANCE
ADMIN	G	↑	A/G
CENTRAL BUDGETS	A/R	A/R	A/G

HR ESTABLISHMENT – [How is HR performing against Business Plan]			
PERFORMANCE AREA	PREVIOUS PERFORMANCE	CURRENT PERFORMANCE	FORECAST PERFORMANCE
HEAD COUNT	A/G	↑	A/G
VACANCIES	A/G	↑	A/G
NPWS IN HEADCOUNT	A/G	↑	A/G

WORKING TOGETHER			
PROCUREMENT ACTIVITY – [Is the current procurement performance in line with Dn Guidelines]			
PERFORMANCE AREA	PREVIOUS PERFORMANCE	CURRENT PERFORMANCE	FORECAST PERFORMANCE
NON-COMPLETE	83.3%	92.8%	< 25%
SINGLE TENDERS	0.0%	0.0%	< 10%
CONTRACTS AGAINST PROCUREMENT	10.7%	7.1%	>25%

PEOPLE			
STAFF DEVELOPMENT ACTIVITY			
PERFORMANCE AREA	PREVIOUS PERFORMANCE	CURRENT PERFORMANCE	FORECAST PERFORMANCE
STAFF DEVELOPMENT AND ENGAGEMENT	N/A	TBC	TBC

ABSENCE ACTIVITY			
PERFORMANCE AREA	PREVIOUS PERFORMANCE	CURRENT PERFORMANCE	FORECAST PERFORMANCE
SICKNESS ABSENCE FREQUENCY	R	↓	TBC

PURPOSE				
DELIVERY – [Performance against Business Plan]				
PERFORMANCE AREA	PREVIOUS PERFORMANCE	CURRENT PERFORMANCE	FORECAST PERFORMANCE	PROG RESIDUAL RISK
TEAM1	A/G	A/G	A/G	A/G
TEAM2	G	G	G	A/G
TEAM3	A/G	A/G	G	A/G
TEAM4	A/G	A/G	A/G	A/G
TEAM5	G	G	G	A/G
TEAM6	G	G	G	G
TEAM7	A/G	A/G	A/G	A/G

Appendix 13: Workforce Management Framework - Deputy Director's Role

The Workforce Directorate Management Framework (see Appendix 11: Workforce Management Framework - Outline) included a section on the role of the Deputy Director. The contents of this section of the management framework are included below. The introduction page makes it explicit that Deputy Directors are central to ways of working and are responsible for leading policy teams.

Deputy Directors' Role

Deputy Directors are central to the Directorate's ways of working because they lead the policy teams who deliver the Directorate's objectives.

The NHS Leadership model is a useful way to describe the Deputy Director role and aligns well with the civil service model [see page 30](#)



Deputy Directors' Role - Vision



Vision

The Deputy Directors are accountable for agreeing the vision for their policy team and the objectives for how they will contribute to the improvement of high quality care in the health and social care systems in England.

These objectives need to be informed by what the Directorate has committed to deliver during Business Planning. [see page 17](#)

Alignment is important, please keep other vision statements in mind: [see page 6](#)

Deputy Directors' Role - Vision

The Department's vision is:
Better health and well being, better care and better value

The NHS Constitution states:
*"The NHS belongs to the people. It is there to improve our health supporting us to keep mentally and physically well, to get better when we are ill and, when we cannot fully recover, to stay as well as we can.
It works at the limits of science – bringing the highest levels of human knowledge and skills to save lives and improve health. It touches our lives at times of basic need when care and compassion is what matters most."*

Social care vision – from Adult Social Care Workforce Strategy : Interim Statement:

- Social care is there in order to ensure that people achieve their maximum potential, have full and purposeful lives, and exercise real choice and control over how they do this.
- The delivery of this vision places personalisation centre stage in social care policy, practice and performance frameworks.

In the part on method, the need for the Deputy Director to have leadership, core management skills (e.g. project management), professional skills, and other skills are made explicit.

Deputy Directors' Role - Method



Method

Many of the management practices laid out in this framework are part of the 'management method' we use to deliver our vision and objectives. The DH works to enable improvement in a complex environment and we have developed some change principles based on well evidenced practices to help us.

These principles inform how leaders in the Directorate coach their teams to work.

Co-production

Need to work jointly with NHS / stakeholders, examples of NSR; World-Class Commissioning; quality metrics; Operating Framework

Subsidiarity

Devolving power / decision-making as close to patients as possible e.g. Practice-based Commissioning, clinical dashboards

Clinical leadership

Aligning managerial and clinical priorities and leadership e.g. SHA Medical Directors, Service Line Reporting

System alignment

Making sure all parts of the system work together and pull in the same direction, example of National Quality Board

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Deputy Directors' Role - Method

Method

The Professional Skills for Government (PSG) competency framework informs how leaders in the Directorate develop their team's skills.

There are three career groupings: Policy, Operational and Corporate Services delivery.

The PSG competency framework is divided into the four separate but supporting areas and you should seek to develop skills in each of these.

Leadership

Civil Service leadership qualities sit at the centre of the framework.

Core Skills

Every civil servant needs the following core skills to work effectively:

- People management
- Financial management
- Analysis and use of evidence
- Programme and project management

In addition to these skills, those in or aspiring to the SCS need to demonstrate:

- Strategic thinking and
- communications and marketing

Professional skills

Job-specific professional skills are related to the work you do.

Broader skills

Skills gained within your profession, within another part of the Civil Service or in other sectors.

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Deputy Directors' Role - Behaviours



Behaviours

If we are really to enable lasting improvement then relationships are critical which is why our DH values are so helpful as reminders of what is important across the Department. [see page 27](#)

The NHS values inform how we work *within* the NHS. [see page 28](#)

Leaders in the Directorate also coach their team to test policy and proposals against these values to make sure our actions follow our words.

The DH and NHS value statements complement one another and because they have been based on deep conversations they both have relevance for their constituents.

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Appendix 14: Project 3 - Pre-Interview Briefing

The pre-interview briefing project 3 is below. It was sent out to interviewees before interviews took place.



A Case Study Exploring Project-based Organising in the Civil Service



Pre-interview Briefing

Purpose

Your assistance is being requested to help investigate the early phases of the Next Stage Review Implementation Programme as a critical case study of project-based organising in the Civil Service. This interview will contribute to the third part of a three-part doctoral research programme being conducted by Andrew Schuster at the Cranfield School of Management. This part of the research will collect data from Senior Civil Servants, policy-makers, programme managers, programme management office staff, and individuals from the Centre of Excellence at the Department of Health using semi-structured interviews.

Background

Projects are increasingly being used as a vehicle for managing work in central civil government organisations. Growth in the use of project-working was propelled by the *Improving Programme and Project Management Delivery* report published by the Prime Minister's Office of Public Service Reform in 2003 and the ensuing efforts of departments to improve project delivery across Whitehall. Unfortunately, there is relatively little academic research on how Civil Service organisations develop project-based organising capabilities or how the 'publicness' of an organisation affects the development of these capabilities.

The first phase of this research programme, a systematic review of the literature, identified details about project-based organising in the Civil Service as a field of management study. The second phase of this research identified enablers, particular challenges, and strategies for project-based organising in the Civil Service. This research project progresses the investigation.

How Will Interviews be Used

Interviews will be used to investigate the perspectives of key stakeholders. The interviews will be recorded and transcribed into text. Individual interviews transcripts will be analysed along with interviews transcripts from other participants. Collectively, the transcripts will be analysed to identify key concepts and themes that inform the case study. The results of my thesis might be used by other academics to inform further study or by practitioners to inform discussions on policy implementation and on developing project-based capabilities. It might also be used to inform best practices across the centre of government. Individual's contributions will be made anonymous.

Key Areas of Investigation:

The interview will explore how project-based organising capabilities developed during the Next Stage Review (NSR) Implementation Programme from its inception in June 2008. In particular, it will explore:

1. *Policy-delivery or management approaches that were introduced or changed (namely values and norms, management systems, skills and knowledge, and technical systems)*
2. *Whether the following conflicts existed and how the organisation responded:*
 - *Policy professionalism versus programme/project management professionalism,*
 - *Policy-based versus project-based styles of career development and learning,*
 - *Pressures of committing resources versus those of allowing for ministerial/executive change,*
 - *The flexibility of policy development versus the structure of policy implementation,*
 - *Approaches to managing projects versus approaches to managing public scrutiny.*
3. *Changes that were made to individual-level, directorate-level, and corporate-level learning systems as the NSR programme evolved.*



A Case Study Exploring Project-based Organising in the Civil Service



Pre-interview Briefing

Interview Particulars

Interviews will be recorded. At the start of the interview, you will be asked to confirm your permission that the interview can be recorded, transcribed and then used for research purposes. It is anticipated that the interviews will be approximately 50 minutes in length.

What next?

I request that you:

- Kindly agree to participate in an interview. Your input is valued and important,
- Be aware that your interview will be recorded and transcribe into text for analysis (although your contributions will be kept anonymous),
- Consider additional information (e.g. documents) from your directorate and your particular projects within the NSR Implementation Programme that might be useful to this study,
- Consider other people that were involved with the same set of projects within the NSR Implementation Programme that you were involved and you would recommend to be interviewed.

Interviewer Biography

Andrew Schuster is a researcher, author and practitioner of project-based organising and strategy with a particular interest in its application to public sector transformation and turn around. Presently, Andrew is doctoral candidate at Cranfield School of Management. He also works full-time as the Assistant Director, Cancer Programme at King's Health Partners while on secondment from the Department of Health. He is also an associate of the National School of Government where he has lectured on organisational and project risk management. Andrew has been a guest lecturer on strategy, programme, change and risk at business schools in the UK and Canada. He takes an interest developing his profession and continually mentors young talent.

Andrew has over 25-years professional experience leading programmes and projects in the telecommunications, information technology and public sectors. Andrew co-authored the book "Management of Risk - Guidance for Practitioners" published in 2007 by the Office of Government Commerce (OGC). He is a mentor or reviewer for OGC's suite of best practice on programme management (MSP), benefits management, project management (PRINCE2), portfolio, programme, and project management offices (P3O), maturity management model (P3M3), and common glossary. He is a Certified Management Consultant, accredited Project Management Professional, accredited high-risk OGC Gateway™ reviewer, Fellow of the Institute of Business Consulting, and Fellow of the RSA.

Interviewer Contact Details

Andrew Schuster

andrew.schuster@cranfield.ac.uk

077 2915 1296

Appendix 15: Project 3 - Semi-Structured Interview Schedule

Below is a list of the primary sources of data and the date of the interview used for data collection for Project. The interviews were conducted between 03 October 2010 and 22 February 2011. Interviewees for two organisational units (Informatics Directorate/Informatics Projects and Workforce Directorate/Leadership Projects) were selected from a combination of executive, policy, programme/project management managers and PMO sources. Centre of Excellence resources were also interviewed. The organisational unit name and interviewee number are used to identify sources in the body of this study. The individual here are different from those interviewed for Project 2.

Organisational Unit	Interviewee Number	Interview Date
Informatics Directorate / Informatics Projects (ID/IP)	1	18-Nov-10
Informatics Directorate / Informatics Projects (ID/IP)	2	22-Dec-10
Informatics Directorate / Informatics Projects (ID/IP)	3	18-Jan-11
Informatics Directorate / Informatics Projects (ID/IP)	4	22-Jan-11
Informatics Directorate / Informatics Projects (ID/IP)	5	07-Feb-11
Informatics Directorate / Informatics Projects (ID/IP)	6	15-Feb-11
Informatics Directorate / Informatics Projects (ID/IP)	7	15-Feb-11
Informatics Directorate / Informatics Projects (ID/IP)	8	22-Feb-11
Centre of Excellence (CoE)	1	03-Oct-10
Centre of Excellence (CoE)	2	09-Nov-10
Centre of Excellence (CoE)	3	22-Nov-10
Workforce Directorate / Leadership Projects (WD/LP)	1	12-Nov-10
Workforce Directorate / Leadership Projects (WD/LP)	2	16-Nov-10
Workforce Directorate / Leadership Projects (WD/LP)	3	17-Nov-10
Workforce Directorate / Leadership Projects (WD/LP)	4	17-Nov-10
Workforce Directorate / Leadership Projects (WD/LP)	5	17-Nov-10
Workforce Directorate / Leadership Projects (WD/LP)	6	07-Dec-10
Workforce Directorate / Leadership Projects (WD/LP)	7	03-Jan-11
Workforce Directorate / Leadership Projects (WD/LP)	8	29-Jan-11

Appendix 16: Project 3 - Interview Question Set

The interviews explored how PBM capability is developed over time during the NSRIP. Below is the skeleton question set that was used during interviewing.

Context

- Describe your current role?
- How many years' work experience do you have in the DoH, Other Civil Service and other organisations (public and private)

Developing a Timeline

- When did you first become involved with the Next Stage Review?
- What was happening at that time?
- What was working well and what was not working as well?
- What did you do about it?
- How did the programme evolve over time? What happened next?
- How did the types of skills in the team (policy, PPM, programme office, executive, other) change over time?
- How did staffing and the budget change over time?

Assessing and Planning Improvements

- Describe the values and norms, managerial systems, skills and knowledge, technical systems that were available to you?
- Which did you help to develop or embed?
- How was it decided when and how to make improvements? Who decided?

Overcoming Challenges

- What key challenges did you face? What was done to manage these?
- Did you face the following challenges? What did you do about it?
 - Conflicts between the nature of policy and PPM specialists
 - Programme manager and policy-maker styles of development and progression
 - Committing resources and remaining flexible for changes to ministerial decisions
 - The structure of policy delivery versus flexibility of policy development
 - Developing leadership skills in managing projects and in managing public scrutiny and review

Leaving a Legacy

- What were some of the key learnings from this work?
- What learning systems were there put in place at the team, directorate, and corporate levels?
- What legacy did you leave behind?
- What advice would you give to somebody entering a similar role to yours?

Appendix 17: Project 3 - Workforce Directorate/Leadership Projects

During the NSRIP, the Workforce Directorate oversaw a range of policy areas that included Leadership and:

- Professional Regulations
- Non-Medical Education, Pay, and Pensions
- Modernising Medical Careers
- Workforce Capacity Planning
- HR Systems
- Equality

According to the directorate's PMO, approximately 65% of the Workforce Directorate's total portfolio of work was categorised as business-as-usual and 35% as programme and project work.

NSRIP – Leadership Projects

Following the recommendations of the Next Stage Review, five leadership projects were set up within the Workforce Directorate: Clinical Leadership, Board Development, Top Leaders, Inclusion, and Emerging Leaders. The teams were created by seconding individuals from the NHS, redeploying internal resources from other work and procuring contractors.

Clinical Leadership Project

It is recognised that effective clinical leadership is critical if the NHS is to place quality of care at its heart. Clinicians, more than any other group, are at the interface with patients and are armed with the knowledge of what patients want and need, and what is possible. The Clinical Leadership Programme was designed to:

- Develop a generic leadership framework which is mapped across to an accreditation process that recognises both academic and experiential leadership development;
- Ensure leadership standards are clearly set out and embedded within all clinical education and training and that all clinicians are introduced to leadership as they begin their profession;
- Establish the National Leadership Council Fellowship Programme which will promote multi-professional learning;
- Explore the barriers to clinicians taking up leadership positions and make recommendations which will remove these barriers; and
- Attract clinicians to leadership. The Clinical Leadership work stream mapped the landscape of leadership for all clinical groups.

Board Development Project

The Boards of all NHS organisations have a pivotal leadership role as they are responsible for the strategic direction of their organisations and they hold their organisations to account. The Board Development Programme was designed to:

- Clarify and communicate the standards expected of all Board members in today's NHS;
- Develop ways of helping NHS Boards to assess their capabilities and development needs; and
- Ensure that NHS Boards are aware of, and can make full use of, opportunities and resources for developing their leadership and operational capability.

NHS Top Leaders Project

Top leaders oversee the business critical functions and prepare the organisation to meet quality and productivity challenges. The NHS Top Leaders Project was designed to:

- Provide career support and development to those leaders already in the most complex roles – the top leadership field; and
- Identify and develop a pool of exceptional leaders who are ready – or soon will be – for the NHS's most senior and complex roles – the top talent pool.

Inclusion Project

Inclusion focuses on improving incentives and removing barriers to leadership roles for clinicians, women, BME, and talent from outside the NHS and encouraging people from within these groups to apply for leadership posts. The Inclusion Project was designed to:

- Develop Top Leaders to be leaders of diversity;
- Develop Boards to be leaders of diversity;
- Develop clinical leadership and incorporating inclusion into the Leadership Quality Certificate and other core professional development curricula;
- Support the review and redesign of current emergent leaders' schemes; and
- Develop coaching skills for chief executives and other senior leaders.

Emerging Leaders Project

Supporting and developing today's NHS leaders is not enough. The next generation of outstanding NHS leaders needs to be identified and nurtured, and the NHS needs to continually communicate the principles and values that Emerging Leaders will reflect and embrace. NHS leaders Project will encourage leaders to:

- Live and embed NHS values
- Lead for quality, improvement and productivity;
- Manage the best-performing health service in the world; and
- Deliver outcomes effectively.

Appendix 18: Project 3 - Informatics Directorate/Informatics Projects

During the NSRIP, the Informatics Directorate oversaw NHS CfH, which managed a number of programmes of work associated with the former National Programme for IT (NPfIT) and other programmes on behalf of the Department that fall outside this category. These include:

- National Infrastructure – The Spine, N3 network, NHS Mail
- National Applications – Choose and Book, The Electronic Prescription Service, GP2GP Record Transfer, The Secondary Uses Service (SUS), The Summary Care Record (SCR)
- Local Service Providers (LSPs) support
- Migration of existing services to the NPfIT provided infrastructure,
- Connectivity of other organisations to NPfIT provided infrastructure,
- Patient access to the Summary Care Record,
- New '111' service
- IT element of the National Pandemic Flu Service
- NHS Choices

According to the NHS CfH programme office, approximately 60.22% of the NHS CfH was categorised as operational management (business-as-usual) and 39.78% as programme development and delivery.

NSR Implementation Programme – Informatics Projects

Following the recommendations of the Next Stage Review, three informatics projects were set up within NHS CfH. These projects were HealthSpace, Clinical Dashboards and NHS Gateway. The Teams were recruited internally, through redeployment of existing resources and externally using contractors.

HealthSpace Project

HealthSpace is a website for people over 16 in England and currently provides two levels of service to users:

- A basic self-registration service providing online personal health organiser, a diary/calendar, an address book, appointment booking through Choose and Book and access to NHS Choices.
- A more advanced service is only accessible following a face-to-face registration process and requires a secure access token for ongoing use. Of those people eligible for an advanced account, 99% of those invited to apply for an advanced account complete the on-line application form.

Clinical Dashboards Project

The development of Clinical Dashboards was a key recommendation from both Lord Darzi's Next Stage Review and the Health Informatics Review. The recommendations are based on the belief that good quality information is a driver of performance amongst clinical teams and help to ensure the right services and best possible care is provided to patients.

A 'Clinical Dashboard' is a toolset of visual displays developed to provide clinicians with the relevant and timely information they need to inform daily decisions that improve the quality of patient care. The toolset gives clinicians easy access to a wealth of NHS data that are being captured locally, in a visual and usable format, whenever they need them. At its core it will display locally relevant information alongside relevant national metrics, for example best practice from Royal Colleges and specialist associations, as this information becomes available.

NHS Gateway Project

The NHS Gateway Programme was initiated in 2008 under the Next Stage Review to deliver what was initially referred to as 'Mystaffspace':

The programme development phase was part funded from the NSR budget, which would have come to an end in March 2011. The Phase 1 solution met with technical problems, which resulted in a slippage in timescales, meaning the programme would not have been able to deliver its stated benefits within the funding timeframe. The NHS Gateway Programme closed following an options appraisal paper being submitted to the NHS Gateway Strategy Board on 28 April 2010. Subsequently, the programme team was redeployed within NHS CfH.

Appendix 19: Project 3 - Professions in the Civil Service - Overview

The workforce in the Civil Service is made up of a wide range of professions and includes every kind of professional – from beekeepers and veterinary surgeons, to bomb disposal experts and accountants. There are 22 recognised professions with each led by a government head of profession. Between March 2009 and March 2010, the largest percentage decrease in the Civil Service professional posts is for the PPM profession.

Profession	March 2009 Count	March 2009 Percentage of Total	March 2010 Count	March 2010 Percentage of Total	Change March 2009 to March 2010
PPM	14,385	2.7%	5,692	1.1%	-60%
Engineering	2,659	0.5%	1,976	0.4%	-26%
Social and Market Research	496	0.1%	408	0.1%	-18%
Human Resources	7,639	1.5%	6,554	1.2%	-14%
Planning	588	0.1%	537	0.1%	-9%
Tax Professionals	9,931	1.9%	9,402	1.8%	-5%
None Selected	114,427	21.8%	108,484	20.6%	-5%
Operational Delivery	300,236	57.3%	288,329	54.7%	-4%
Policy delivery	19,436	3.7%	18,810	3.6%	-3%
Psychology	1,076	0.2%	1,045	0.2%	-3%
Inspector of Education and Training	605	0.1%	608	0.1%	0%
Finance	12,353	2.4%	12,426	2.4%	1%
Medicine	1,377	0.3%	1,386	0.3%	1%
Statistics	1,352	0.3%	1,408	0.3%	4%
Economics	558	0.1%	600	0.1%	8%
Information technology	7,077	1.3%	7,810	1.5%	10%
Law	5,655	1.1%	6,296	1.2%	11%
Internal Audit	462	0.1%	519	0.1%	12%
Procurement and Contract Management	1,915	0.4%	2,196	0.4%	15%
Veterinarian	435	0.1%	519	0.1%	19%
Communications and Marketing	3,294	0.6%	4,033	0.8%	22%
Knowledge and Information Management	540	0.1%	878	0.2%	63%
Science	3,215	0.6%	5,471	1.0%	70%
Operational Research	102	0.0%	254	0.0%	149%
Other	8,170	1.6%	41,372	7.8%	406%
All employees	524,423	100.0%	527,484	100.0%	1%

Source: ONS Annual Civil Service Employment Survey (March 2009 – March 2010)

Source: Author Analysis

Appendix 20: Project 3 – Senior Civil Servant Competencies

The Cabinet Office has established a core competency framework for SCSs. It has seven components, one of which is for Managing and Supporting Programmes and Projects. The Managing and Supporting Programmes and Projects competency for Band 1 SCSs is defined as: *“Takes responsibility for the definition and successful delivery of programme benefits through cost effective measurement processes, can oversee the development and delivery of a viable business case.”*



Civil Service Core Competencies Framework

Source: Cabinet Office – Professional Skills for Government

You need to provide evidence that you have:

- Agreed the definition of a programme's benefits
- Defined success criteria to assess performance
- Ensured that cost effective measurement processes are in place
- Overseen the development of a business case and challenged it where necessary, considering the impact of factors such as technology and market trends and
- Ensured that the business case remains viable throughout the programme or project

Anticipates, manages and monitors programme/project risks, including by using market knowledge and networks

You need to provide evidence that you have:

- Ensured programme and project risks are identified, analysed, and evaluated,
- Developed and recommended options for reducing risk to a level of acceptability and ensured risk is controlled and
- Reported progress to the next level of project/programme governance.

Ensures effective communications with stakeholders

You need to provide evidence that you have:

- Analysed, evaluated, and prioritised stakeholders with reference to their contribution, influence and interest and
- Ensured effective stakeholder communications take place and managed stakeholder expectations

Ensures OGC Gateway reviews are commissioned and contributed to appropriately

You can provide evidence that you have:

- Commissioned and/or contributed to the review of your programme or project.

Works in partnership with PPM experts to achieve organisation's goals

You need to provide evidence that you have:

- Approved an appropriate programme or project governance framework, including resourcing the right level of PPM expertise,
- Reviewed, challenged and approved key programme/project documentation and
- Ensured that PPM and commercial experts are consulted at an early stage, and their professional advice respected.

Appendix 21: Project 3 - Leadership Projects - An Example of a Narrative

The text reproduced below, is an example of a fully developed narrative. It was finalised 29 January 2009 by the Leadership Division and subsequently used for many purposes: e.g. publications, presentations, briefing notes for minister, and communications to staff.

Inspiring Leadership for Quality: The Approach Gateway Reference: 11230

Key messages:

- Achieving our shared ambition for putting quality at the heart of everything we do will require a renewed focus on leadership at all levels of the NHS.
- NHS staff members make the difference for patients and communities. Leadership is required to free up staff and organisations alike to deliver high standards of care while being accountable to the people we are there to serve.
- We all need to do more to value and develop leaders across all parts of the system. This applies at individual, local, regional and national levels, and is supported by a new framework for leadership development.

Why is 'Leadership for Quality' important?

The Next Stage Review established a shared vision of an NHS that has quality of care at its heart – quality that spans safety, effectiveness and the patient experience. This has given us a common language, a way of talking about quality across the system, focused on improvement for the benefit of patients and service users.

Providing high quality care is a source of professional pride, energising and motivating all NHS staff, clinical and non-clinical alike. It requires professionals to be empowered to make the daily decisions that improve quality, combined with a new and stronger accountability to the people that the NHS is there to serve.

Greater freedom, enhanced accountability and empowerment of staff are necessary in the pursuit of high quality care, but they will not get us there on their own. Making change actually happen takes leadership. That is why fostering and developing leadership today that recognises the importance of high quality care is central to our expectations for the future NHS.

High Quality Care for All (HQCFA) recognised that there are many routes to excellent leadership. While not claiming to have all the answers, it identified core elements essential for those leading change to be clear about, to inspire teams to go beyond traditional boundaries for patients. Those using health services expect everyone in the NHS and beyond to work together to give them the high quality,

integrated care they need and want. It is from the following elements that leadership for quality will emerge:

Vision: What quality improvements we are trying to achieve and how it will benefit patients and local communities.

Method: How we will make change happen – the management method we will use for implementation, continuous improvement and the measuring of success.

Expectations: What the difference will mean for people, the behavioural change that will be necessary and the values that underpin it.

Good leaders already exist in many parts of the NHS, but making this the standard will require a significant shift in both our thinking and our actions.

Where are we now?

Although there is a long tradition of leadership development in parts of the NHS we know that we need to do more to realise the ambitions we have to embed leadership for quality across the system.

We need to recognise that in the past we have not systematically identified, nurtured and promoted talent and leadership. While we have fantastic and talented leaders across the NHS, to take us to the next stage we need to improve the overall quality and quantity of our leaders, equipping them with the skills to make our vision a reality.

Where do we need to be?

We want to see an NHS that values both leaders and leadership. The challenge is to have a leadership culture that frees up staff to be accountable to the communities we serve, a culture that prizes evidenced-based continuous improvement. We will only be able to achieve this by firstly creating the right conditions for this to happen.

To realise this it is clear that the expectations that we have of leaders are fundamentally changing both in what we need to achieve and how we go about our business. In return for this, there will be more development and support available to help leaders advance their skills, experience and careers.

We also recognise that in order to respond to our communities, it is essential that our leadership profile be broadened to reflect the diversity of both the wider workforce and the communities we serve.

How will we get there?

The findings from our research into large-scale change programmes from across the world show that the way we lead change must be consistent with four principles:

- We must work together to '**co-produce**', working with you on the design and development of leadership solutions;
- By applying the principle of '**subsidiarity**' we will be clear what needs to be done at what level, and will endeavour to ensure that the role of the regions and of local services is the key way improvement in leadership capacity and capability will be led;
- We need to value '**clinical engagement and leadership**' in order to make real change – this will call for a system where leaders demonstrate the change principles through what we do, not just what we say; and
- We must pull in the same direction. We recognise if we are going to make change happen then we will need to achieve greater '**alignment**' between expectations, policies and practices.

These principles have been applied in developing our approach to leadership, and they are principles we expect all NHS leaders to apply.

Our approach to Leadership Development

Leadership is a responsibility at all levels across all parts of the NHS system. We have worked closely with a range of stakeholders on our approach to leadership development, and this co-production, building on the energy generated by the Next Stage Review, is an important part of our approach.

Crucially, as set out in our Talent and Leadership Framework below, leadership development must start with every **individual** in healthcare. We all have a personal responsibility to continuously learn, seek development and career opportunities, spot talent and support the development of others. Individuals within the system can take control of their own progress by owning personal development plans and career portfolios. Individuals at all levels also have a responsibility for identifying talent and developing others by providing teaching, coaching and mentoring. These responsibilities are vital to improving leaders at all levels of the system.

Organisations play a key role at a **local level** in developing the leaders that we need in order to commission and provide high quality services. Successful organisations create and foster conditions for talent and leadership development. They create the culture, systematically assess leadership and talent needs, develop improvement plans through their Boards of Directors or Governors, and ensure the profiles of the leaders they appoint reflect the communities they serve. In addition to creating the culture and conditions there are some important new programmes through which investments can be made, such as the commissioning and implementation of trust board development, leadership for quality and clinical leadership fellowships. In a system where leaders frequently move between organisations and sectors, employers also have a key role as stewards of talent and leadership ensuring we all have a range of aspiring leaders to choose from when

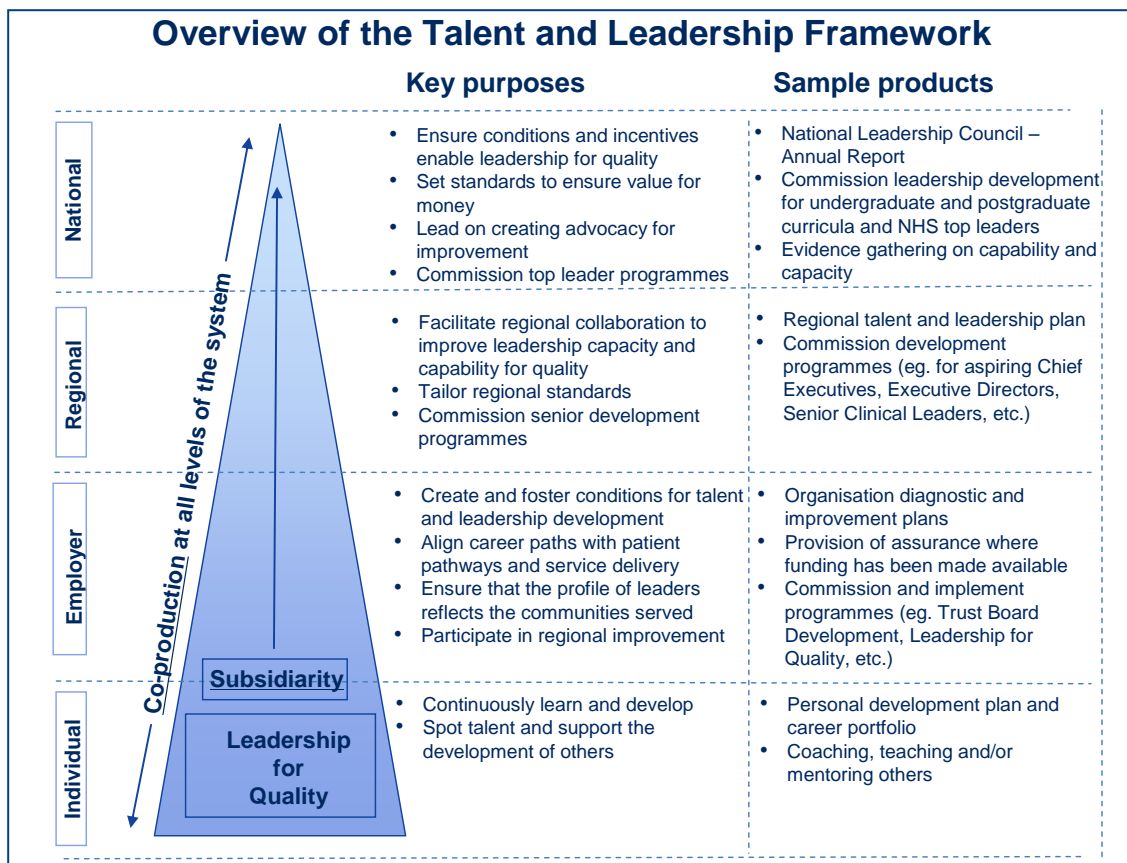
filling new opportunities. All organisations are also responsible for participating in leadership improvement efforts across their region.

Strategic Health Authorities play a key role at **regional level**. They foster investment and collaboration to support leadership development, assuring them that the right conditions are in place across their regions for improving talent and leadership development. SHAs will also add value at a regional level through the commissioning and provision of development programmes for senior leaders.

Inspiring Leaders: leadership for quality, the Guidance for NHS Talent and Leadership Planning, is designed to support SHAs in this role. The Guidance will support SHAs in assessing current leadership capacity, using collaborative methods to meet gaps between demand and supply, and developing the most efficient investment strategies.

Finally, our role at **national level** is to create the right conditions and incentives, set standards, and advocate improvement with a strong national voice for change. The National Leadership Council is being created to underpin and champion the new priority being attached to leadership in the NHS, to ensure that the system supports high quality leadership and to challenge it where it does not. Through the National Leadership Council, we will continue to work with a wide range of stakeholders to build advocacy for improvement. The overall purpose of the council is to build a strong culture of leadership for health and model the importance of how leaders and leadership is valued. For example, at a national level, value will be added through investment in leadership development within the undergraduate and postgraduate curricula as well as development for the top NHS posts, and setting standards for the development of leadership for quality certificates. The Council will focus on five priority areas: Clinical Leadership, Top Leaders, Board Development, Emerging Leaders and Inclusion.

To recognise the ongoing efforts to improve leadership across the system, the Council will also host the NHS Leadership Awards Scheme, which is designed to spread best practice and foster and recognise the best leaders for today and tomorrow. Nominations for the seven categories of awards will be sought from March through to mid-May, and the awards ceremony will be held in conjunction with the Chief Executives Conference in autumn 2009.



What this means for all of us

This approach to leadership reflects the shared purpose, values and principles of the new NHS Constitution. Developed through joint working with patients, public and staff, the Constitution reminds us of the core values of the NHS: respect and dignity, commitment to quality of care, compassion, improving lives, working together for patients and everyone counts. It also sets out a commitment to engage and involve staff in the decisions that affect them. These ambitions can only be realised through mutual recognition of expectations and responsibilities.

As the Constitution states: *“We put patients first in everything we do, by reaching out to staff, patients, carers, families, communities, and professionals outside the NHS. We put the needs of patients and communities before organisational boundaries.”*

To ensure that it remains true to the Constitution and to the vision established in the NSR, the NHS will require exceptional leadership to bring about the significant improvements for patients we are seeking to achieve. We all have a role to play in improving leadership across the NHS, and we look forward to working closely and collaboratively with you on this in the future.

Appendix 22: Project 3 - Leadership Projects - Staff Development

The Leadership Division PMO introduced an induction process for its staff when it became functional in 2009. The contents included an overview of the NSRIP, Leadership Projects and basic information about the tools available to staff.

Leadership Division - Induction Pack Outline
NSR Leadership Workstream Brief Summary
National Workstream Contacts
Leadership Workstream Contacts
Important Organisation Structures
Team Contacts (Internal and external)
Leadership Workstream Programme Board
Steering group details
Staff Structure
Office Layout
Building Layout (Canteen, Reprographics, Facilities, etc.)
Computer Induction (Log on, Lotus Notes etc.)
Shared Drive
Delphi Induction
Phone Logistics and Conference calls
Office Tour
Staff Matters
AOB

Leadership Division - Induction Documents
1 High Quality Care for all
2 Leadership Induction Pack (3X folders)
3 NLC Ambassadors handbook
4 NLC Core scripts
5 NLC Governance
6 NLC Membership
7 All NLC Contact Details
8 ALL SHA Contact Lists - CE etc.
9 T and L Guidance
10 T and L Individual Plans
11 T and L Letters and latest Submission
12 Latest Staff Survey
13 Latest version of Best Practice Guide
14 Latest Submissions - TCS, Primary care, MTS, Top Leaders - inclusion
15 Leadership Awards overview paper
16 Operating Framework
17 Inclusion and Diversity Final Report
18 Structure charts for Team and Workforce
19 Key Contact Lists - DoH, SHA's, Stakeholders
20 Finance - Business Plan (Pull Out)
21 Assuring the Quality of Senior Managers
22 Workforce Performance Management Pack - Jan 2010
23 Latest Workforce Programme Budget Allocation
24 Leadership Latest Highlight Report
25 Leadership latest (PMEG) report

Appendix 23: Project 3 - Informatics Projects - Staff Development

The Informatics Division PMO facilitated staff induction and ongoing development. This included topic driven discussions in the Delivery Forum. Both were run approximately monthly during the NSRIP.

A summary of the induction day is described below:

Informatics Division Induction Agenda
Background to the organisation
Corporate values
What we were trying to achieve
How we worked
Practical issues

A selection of the topics of the Delivery Forum is listed here:

National Programme for Information Technology Deliver Forum Topics
Further update on the transition.
Detailed technology change programme to support transition (Tom Burnett)
Presentation on the Technology Strategy.
Presentation on the Information Strategy (Ken Lunn)
Review of the Pulse survey results and agreement of action plan.
Programme and Ops key objectives
Experience of running shared services and customer recharging. (Sean Walsh)
Update from other programme areas (on a rotation basis).
Use of TimeIT.
Portfolio Prioritisation.
NHS view on how the NHS transition feels
CSR confirmation
Tim Donohoe's view from the bridge

Appendix 24: Project 3 - DoH – 2010 Staff Satisfaction

The DoH Autumn 2010 staff satisfaction survey had 1,070 respondents representing a response rate of 67%. Leadership and managing change, which had the highest association with engagement, was the lowest ranked theme for the DoH. It had a score of 34% positive which was significantly (12%) below the Civil Service high performer.

Drivers of engagement

Employee engagement is shaped by experiences at work, as measured by nine themes in the survey. The table below shows how you performed on each of these themes, ranked by the strength of association with engagement. The themes which have the strongest association with engagement should be the focus for action. See the appendix for further details.

	Strength of association with engagement	Theme score % positive	Difference from previous survey	Difference from CS2010	Difference from CS High Performers
Leadership and managing change		34%	-8 ◇	-3 ◇	-12 ◇
My work		71%	-5 ◇	0	-4 ◇
My line manager		68%	-1	+4 ◇	0
Learning and development		43%	-11 ◇	0	-6 ◇
Pay and benefits		48%	-2	+11 ◇	+5 ◇
Organisational objectives and purpose		72%	-9 ◇	-9 ◇	-14 ◇
Resources and workload		74%	+1	+1 ◇	-3 ◇
My team		78%	-1	+1 ◇	-2 ◇
Inclusion and fair treatment		75%	-3 ◇	+2 ◇	-1 ◇

◇ = Statistically significant difference from comparison

The leadership and managing change rating of 34% is a composite of 12 indicators. The responses to the questions 'B45 I feel that change is managed well in the Department' and 'B46 When changes are made in the Department they are usually for the better' were the lowest rated of all questions at 21% and 14% positive respectively. Both of these were significantly (18%) below the Civil Service high performers.

This section shows the results for each question in the survey, by theme.

^ indicates a variation in question wording from your previous survey

◇ indicates statistically significant difference from comparison

	% Strongly agree	% Agree	% Neither	% Disagree	% Strongly disagree	% Positive	Difference from previous survey	Difference from CS2010	Difference from CS High Performers
Leadership and managing change									
B40. I feel that the Department as a whole is managed well	36		33	21	7	39%	-9 ◇	-2 ◇	-14 ◇
B41. SCS in the Department are sufficiently visible	6	45	23	19	7	51%	-2	+6 ◇	-9 ◇
B42. I believe the actions of SCS are consistent with the Department's values	5	37	37	15	7	42%	-2	+2 ◇	-10 ◇
B43. I believe that the Departmental Board has a clear vision for the future of the Department	24		46	18	9	28%	-13 ◇	-7 ◇	-19 ◇
B44. Overall, I have confidence in the decisions made by the Department's SCS	4	33	39	17	7	37%	-8 ◇	+1	-11 ◇
B45. I feel that change is managed well in the Department	19	33	32	15	7	21%	-6 ◇	-7 ◇	-18 ◇
B46. When changes are made in the Department they are usually for the better	13	45	30	11	7	14%	-11 ◇	-9 ◇	-18 ◇
B47. The Department keeps me informed about matters that affect me	5	48	27	16	5	52%	-10 ◇	-2 ◇	-10 ◇
B48. I have the opportunity to contribute my views before decisions are made that affect me	25	32	28	11	7	29%	-11 ◇	-4 ◇	-10 ◇
B49. I think it is safe to challenge the way things are done in the Department	29	35	23	10	7	33%	-9 ◇	-7 ◇	-14 ◇

Appendix 25: Project 3 - Principles for Learning and Innovation

The PAC (2009b) identified key principles fundamental to learning and innovation. According to the Committee, departments should consider the following principles:

Effective learning and innovation are unlikely to happen by accident; they are much more likely to occur where an organisation takes a **systematic approach** to considering what works and why, and to transforming this understanding into new ideas.

Learning needs to become part of an organisation's normal day-to-day practices and **culture**, and not something that only takes place following a crisis.

An innovative tone needs to be set at the top. **Leaders need to be role models**, setting a positive example and lending their full support to others who demonstrate such behaviours.

Transparency and openness about performance enables others to learn from an organisation's successes, and allows the organisation itself to learn how to avoid repeating its own failures. Failure should not be ignored or covered up, but should be seen as an opportunity to learn and to succeed in the future.

Organisations should form networks beyond their borders, pro-actively seeking to **share information** and learn from others. Similarly, within a learning organisation, individuals should be expected to share information with their peers as part of an organisation's overall knowledge management strategy.

Learning and innovative organisations are **responsive to outside ideas and opinions**. Seeking to learn from the experiences of service users and front line staff is of particular value when seeking to make improvements.

By **collaborating** more with their suppliers, rather than simply contracting with them, public organisations can make the most of their suppliers' skills, and secure the transfer of those skills both formally at the end of a project, and through informal contact during the course of the work. Outcome-based procurement, as opposed to techniques prescribing the required product, gives suppliers the scope to come up with innovative solutions to an organisation's problems.

Front-line staff members are often best-placed to identify innovative solutions to problems. Systems are needed to draw on **front-line staff**, to enable their ideas to be heard and to give them the support they need to develop them into prototypes that can be tested.

Peer review should be welcomed as an opportunity for learning rather than a threat. The Capability Review process, which identifies areas where Departments

need to improve, has shown the potential to share knowledge across government in an open and constructive manner.

Organisations need good **management information** in order to identify areas where improvements are needed, and to measure the effectiveness of changes that are introduced. In an innovative organisation not all innovations will succeed so management needs information to identify and act on signs of failure early, learning lessons for the future.

Incentives to learn and innovate need to be in place to encourage staff. These can include formal reward schemes, as well as recognition through appraisal and promotion. It is important to avoid perverse incentives that could lead someone to choose not to share knowledge and understanding or to innovate.

Departments should **assess the skills required to manage a particular project**, and consider whether they possess them. Where they do, the department should aim to use the most qualified individuals to manage projects across the organisation in a way that enables their knowledge and skills to be transferred to others. Where they do not, they should seek external assistance (in the form of training or consultants), ensuring that learning is effectively captured and transferred as part of the contractual arrangements.

Appendix 26: Project 3 - Civil Service PBM Learning Mechanisms

The NAO (2009) examined how departments could be better at learning based on 11 case examples of learning in a wide range of public sector settings. Key findings related to PBM include:

- The main barriers to learning experienced by departments are silo structures, ineffective mechanisms to support learning, a high turnover within the workforce and a lack of time for learning.
- PPM Centres of Excellence have yet to realise their full potential to contribute to organisational learning.
- Central departments, in particular the Cabinet Office and the Treasury, have an important role to play in promoting learning across government.
- Departments find cross-departmental networks and communities of practice most valuable to supporting learning.

The reporting identified several corporate learning mechanisms relevant to PBM. These are summarised below.

Mechanism	Description
Departmental Capability Reviews	Reviews of government departments targeted at underlying capability issues that impact on effective delivery. The reviews cover: strategic and leadership capabilities, skills, and relations with stakeholders, partners and the public.
Centre of Excellence	PPM Centres of Excellence are intended to provide strategic oversight, scrutiny and challenge across a department's portfolio of programmes and projects, to act as a focal point for supporting individual programmes and projects, and to drive the implementation of improvements to increase the department's capability and capacity in programme and project delivery.
OGC Gateway™ Review	A review of a programme or project carried out at a key decision point by a team of experienced people, independent of the project team. There are five OGC Gateway Reviews during the lifecycle of a project, three before contract award and two looking at service implementation and confirmation of the operational benefits.
PRINCE2 (Projects in a Controlled Environments 2)	Project management method covering the organisation, management and control of projects. PRINCE2 is the UK Government standard for public sector project management. It sets out good practice in managing challenges and opportunities in an environment of rapid change.
Professional Skills for Government	A major, long-term change programme aiming to ensure that civil servants have the right mix of skills and expertise to deliver effective services.
PPM Specialism	The PPM Specialism supports staff members in government who wish to follow a career in programmes and projects rather than line-oriented career paths. It brings together all PPM specialists in central civil government and agencies, concentrating on helping, advising and supporting those individuals who are experienced or qualified programme and project staff, to develop their skills and careers.
Senior Responsible Owner	Senior Responsible Owners (usually a SCS) take overall responsibility for making sure that the programme or project meets its objectives and delivers the projected benefits. Key responsibilities include developing the business case, monitoring and liaising with senior management on progress and risks to delivery.

Appendix 27: Project 3 - Summary of Key Insights by Routine

For each proposition, this study identified routines that were relevant to the five propositions presented and insights associated with each. These are summarised below.

Proposition	Routines Identified	Summary of Key Insights by Routine
P1 – Routines that Align the Organisational Practices of the Policy-making Specialists with those of the PPM Specialists	<ul style="list-style-type: none"> Integrating Specialist Resources Understanding Accountability and Scrutiny in the Civil Service Legitimising the PPM Profession Tempering Project Planning for Policy-making Mediating Between Policy and PPM Specialists 	<ul style="list-style-type: none"> Specialist consultants were relied upon heavily. This introduced tensions between them and the generalist workers. Resources new to the Civil Service struggled with the nature of accountability and scrutiny, were not highly supported upon arrival and many left before they fully adapted. The PPM profession was not highly legitimised in the DoH. However, the PPM profession was better supported as organisational units managed more work through projects. The policy profession generally did not seem to operate with complex planning processes. The PPM profession biased organisational unit did not adapt project planning for policy-making. Both the policy and PPM specialists brought particular skills to PBM. The Directors appeared to struggle to mediate between roles and fully exploit the potential of both.
P2 – Routines that Enable Value and Purpose to be Effectively Negotiated across Temporal and Organisational Boundaries	<ul style="list-style-type: none"> Building a Compelling Narrative Developing Benefit Realisation Management Establishing and Maintaining a Mandate 	<ul style="list-style-type: none"> The policy professional biased organisational unit better utilised narratives to negotiate value and purpose. The PPM professional biased organisational unit better utilised benefit realisation management. Mandates were sustained by Senior Civil Services (namely Directors General), who were critical in managing the politics of working with ministers and diverse stakeholders.
P3 – Routines that enable the flexible use of resources	<ul style="list-style-type: none"> Integrating Business Planning across Organisational Units Developing Robust PMO Services Developing a Culture of Continuous Improvement 	<ul style="list-style-type: none"> Directors increasingly focused on business planning to prioritise initiatives and allocate resources. PMOs provided a wide array of services. Learning services were the last to develop. Overall, change was poorly managed in the DoH. PMOs acted as moderators of social processes helping to develop new values and norms. The Directors General attempts to evolve the culture were hampered by project initiation demands and high staff turnover.
P4 – Routines that integrate public review and scrutiny into policy-project implementation	<ul style="list-style-type: none"> Establishing a Management Framework Leading and Motivating Teams during Rapid Change Developing SROs Experienced in Civil Service PBM 	<ul style="list-style-type: none"> A management framework that defined the business model for decision-making and change management was formally introduced and strengthened over time. In the organisational units, dysfunctional line management from Deputy Directors and a lack of experience launching projects in the Civil Service was noted, as was the lowest staff satisfaction in the DoH. SROs were experienced in PBM, but not the Civil Service ways of working. SRO support was minimal.
P5 – Routines that Exploit the Skills and Knowledge of PBM from other Civil Service Experiences	<ul style="list-style-type: none"> Developing Individual Careers Developing Directorate Learning Systems Integrating PBM with Corporate Learning Systems 	<ul style="list-style-type: none"> Micro-level individual learning modes were supported and continued to develop. These were influenced by the quality of line managers. These take several months to develop. Meso-level directorate learning modes were supported and continued to develop. These were influenced by the quality of the PMOs services. These take years to develop. Macro-level corporate learning modes were discussed and attempted, but were not developed. The DoH appreciation for PBM learning was not evident.

Appendix 28: Project 3 - Key Roles

For each routine, this study identified roles that were critical to strengthening the routine. These are summarised below.

Role that is Critical to Strengthening	PBM Capability Development Routines (The most underdeveloped routines are marked with an asterisk)
Director	<ul style="list-style-type: none"> • Legitimising the PPM Specialism • Mediating between Policy and PPM Specialists* • Understanding Accountability and Scrutiny in the Civil Service • Integrating Business Planning across Organisational Units
Director General	<ul style="list-style-type: none"> • Developing SROs Experienced in Civil Service PBM* • Building a Compelling Narrative* • Developing a Culture of Continuous Improvement • Establishing and Maintaining a Mandate
PMO	<ul style="list-style-type: none"> • Developing Robust PMO Services • Developing Directorate Learning Systems • Tempering Project Planning for Policy-Makers*
Deputy Director	<ul style="list-style-type: none"> • Integrating Specialist Resources • Developing Benefit Realisation Management* • Establishing a Management Framework • Leading and Motivating Teams During Rapid Change* • Developing Individual Careers
CoE	<ul style="list-style-type: none"> • Integrating PBM with Corporate Learning Systems*

In the study there were two organisational units under consideration. Routines that were weak in one or the other organisational unit are marked in the table with an asterisk. The routine *Leading and motivating teams during rapid change* was weak in both organisational units, signalling a concern with the effect that Deputy Directors had in strengthening this routine.

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